Herald Exibune

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Paris, Tuesday, August 16, 1994

Germans Find Clues To Big Nuclear Plot

They Trace Seized Plutonium-239 To Criminals With Ties to Russia

By Craig R. Whitney
New York Times Service

MUNICH - German authorities said Mooday that 300 to 350 grams of phytonium-239 seized from a suspected smuggler who flew in from Moscow was part of a four-kilogram \$250-million deal proposed by a criminal group they believed had connections to members of Russian security services.

"The material did not come from a civilian commercial reactor," said the Bavarian interior minister, Gunther Beckstein. "The strong assumption is that it was specially produced for use in weapons."

Without effective Russian controls, Mr. Beckstein said, "We assume that such material will continue to come on the market in future."

A German expert said that it would take 6 to 10 kilograms of plutonium to build a bomb, depending on the purity of the material. The seized material was 87 percent pure, on the low side but enough to indicate that the smngglers could deliver sufficient material to construct a weapon, according to the ex-pert, Dr. Helmut Zeising, an environmental official.

An aide to Chancellor Helmut Kohl, Bernd Schmidbauer, will fly to Moscow this week to urge President Boris N. Yeltsin to order tighter security.

A spokesman for Mr. Kohl also rejected Russian assertions that the Germans had not sent them information to buttress Bonn's claims that the plutonium seized here last week and in an

New York Times Service

what drove the massacres of hundreds of

thousands of Tutsi in Rwanda, one need

only listen to François Karera, a senior

politician in the former Hutu-dominated

government, who says the killings were

for 937,000 people. They are murderers. The Tutsi have given the white people their

daughters. Physically, they are weak look at their arms and their legs. No Tutsi can build; they are too weak. They just

These are some of the crude slurs deliv-

ered with chortles by Mr. Karera as he sat.

in a garden filled with crimson bougainvil-

lea and exotic palms at his rented cottage

The invective is based on the traditional

stereotypes - the Hutu, shorter; the Tutsi.

taller and more slender — and the fact that in the 1600s the minority Tutsi conquered

the majority Hutu and ruled them until 35

The Hutu were determined, Mr. Karera said, oot to allow the Totsi to repeat history and slay the Hum as they had 400 years

ago and again in 1959 and 1972. In April and May, an estimated 500,000 Tutsi were

killed; the United Nations has called it

command. The others work."

"The Tutsi are originally bad," said Mr. Karera, who as the prefect of greater Kiga-li, the capital, was the chief administrator

RUTSHURU. Zaire - To understand

A Hutu Justifies Genocide

Tutsi Deserved to Die, Politician Says,

Recause They Are All 'Originally Bad'

unrelated incident near the Swiss border in May had come from Russia.

A spokesman for the Russian Atomic Energy Ministry, Georgi Kaurov, also said in Moscow on Monday, "We have had no thefts of plutonium 239." The Germans believe this statement is meaningless because they think all Russian nuclear security has collapsed.

Providing details on the latest seizure of smuggled weapons-grade nuclear materials — the third the Germans have made in four months — Bavarian lawenforcement officials described it as the biggest in the world since the collapse of

They called for urgent international action to deal with a threat that could enable a terrorist group or a maverick state to buy enough for a bomb.

They identified the prime suspect arrested in the case as Justiniano Torres, a 38-year-old Colombian from Bogota who lived and studied in Moscow and brought the plutonium from there last

Two older Spanish men, a 60-year-old mechanic identified only as Javier B. from San Sebastian, and a 49-yearold builder named Julio O, from Navarra - both from the terrorism-plagued Basque region — were arrested with him. A fourth Spanish suspect, said to be in France, is being sought.

None of them had known criminal records, according to the German investigators, who said they had no idea who Mr. Torres's contacts in Moscow or

See BOMB, Page 4

ly powerful not only because of his posi-

tion -he was mayor of Kigali from 1975

to 1990 and then moved to the job of

prefect of the capital and its surrounding

Now 55, Mr. Karera was 20 and a young teacher in 1959 when the Hntu rose up for the first time against their rulers, the cattle-

driving Tutsi, who arrived from northern Africa 400 years ago and conquered the

It is to the people like Mr. Karera, who displayed intractable prejudices, that the mostly Hutu masses of refugees listen

when it comes to the question of returning

home. There is no way home, Mr. Karera

said, until the new government set up by the Tutsi-dominated Rwanda Patriotic

Front shares power on the basis of popula-

"That's democracy." he said. His goal could be achieved by negotiation, he said,

but if it is not, the refugees will return by

force with the backing of the overthrown

"If the reasons are just, the massacres

are justified," Mr. Karcra said emphatically, pushing his arm in the air to make the

point. "In war you don't consider the con-

sequences, you consider the causes." For

this reason, he said, he is not worried that

the United Nations is establishing tribu-

nals to investigate the massacres and try

See HUTU, Page 4

"We cannot use that word genocide,

government's army now in Zaire.

provinces - but because of his age.

agrarian Hutu.

Carlos's Run of Terror Is Ended; He Faces Murder Trial in France

Sudan Grabs Long-Sought Guerrilla

By Alan Riding
New York Times Sernce

PARIS - The Venezuelan-born interoational terrorist known as Carlos, blamed for dozens of bombings and murders across Western Europe in the 1970s and '80s, was arrested in Sudan and flown secretly to France on Monday. Interior Minister Charles Pasqua said

Illich Ramírez Sánchez, 44, would go on trial here for crimes committed in France. "He is one of the most well-known and

most dangerous criminals in the world,"
Mr. Pasqua said, with evident satisfaction.
Carlos's most daring action involved the
kidnapping of 11 oil ministers attending a meeting of the Organization of Petroleum Exporting Countries in Vienna in Decem-ber 1975. Three people died in the incident, but the terrorist and his group were flown to Algeria and released.

His name was variously linked to guerrilla bands in Japan, Germany, Spain and Ireland, but he was most closely associated with Arab terrorist groups. Until the collapse of communism in Eastern Europe, be was also reportedly protected by East Ger-

many, Hungary and Czechoslovakia.

Most recently, he was thought to be living in Damascus with his wife, Magdalena Kopp, a former member of Germany's Baader-Meinhof gang who spent three years in prison in France in the early 1980s

on charges of possessing explosives.

The arrest of Carlos is a significant political coup for France's hard-line interior minister, who over the past two weeks has been leading a much-publicized campaign to round up Algerians living in France who support Algeria's outlawed Islamic Salvation Front. He launched the offensive after Islamic extremists killed five French citi-

zens in Algeria. Mr. Pasqua said that French intelligence officers were appeal off early this year that Carlos had entered Sudan under a false name with a false diplomatic passport. He said that, after this information was confirmed, it was conveyed to the Sudanese authorities with a request for his arrest.

"Yesterday morning, the Sudanese authorities told us that they had identified Carlos beyond all doubt and were ready to respond immediately to the arrest warrants issued by French judicial authorities," Mr. Pasqua said, adding that Carlos arrived at the Villacoublay military airport near Paris at 10 A.M. Monday.

After two hours of interrogation in the headquarters of the DST, France's counterintelligence agency, Carlos was taken to La Sante prison in Paris. He is expected to appear before France's main anti-terrorist investigating judge, Jean-Louis Bruguière.

In Khartoum, Sudan's interior minister, Tayeb Ibrahim Mohammed Khier, said in a statement that Carlos was carrying a false diplomatic passport from an unidentified Arab country and was among a group suspected of planning attacks on foreign institutions in the Sudanese capi-

Mr. Khier said the group's aim was for Sudan to be blamed for supporting inter-national terrorism. Sudan's Islamic fundamentalist government has been accused by both Egypt and the United States of supporting Islamic extremists, a charge denied by the regime headed by Licutenant General Omar Hassan Ahmad Bashir.

Sudan's government spokesman, Abu-baker Shingieti, told the Associated Press that Carlos was arrested "in the past few

> By Saul Hansell New York Times Service

Carlos in Sudan before his arrest.

See CARLOS, Page 4



Interior Minister Charles Pasqua of France announcing Monday that the terrorist known as Carlos was in custody.

At Last the Jackal's Time Has Passed

By Joseph Fitchett International Herald Tribune

PARIS - The capture of Carlos marks the end of an era of ioternational terrorism that began as urban guerrilla movements in the 1960s and ended as murder-for-hire

in the 1980s. Although the world's most wanted terrorist, Carlos the Jackal, had escaped arrest for years, he was running in ever decreasing circles as government after government, finally even Libya and Iraq.

found him too hot to hold. lo fact, the pressure on Carlos had neutralized his operations for years, and his

capture puts a symbolic end to a brand of terrorism that was effectively put out of business in the 1980s.

In that sense. Carios's arrest serves as a reminder of the change in Western govern-

NEWS ANALYSIS

ments' policies that dramatically reduced

the potential of terrorism as an instrument of covert warfare between nations. The Reagan administration precipitated tougher attitudes throughout the West by

declaring all-out war on terrorism in the

At that time, terrorism appeared to be part of the permanent political landscape, like the Cold War.

But Washington authorized fereign kidnappings of suspected terrorists, bombed Libya for harboring terrorists and changed international attitudes and jurisprudence to view terrorism as a crime, not a political act. The international isolation of Libya because of its refusal to extradite the suspected Lockerbie bombers would have been unlikely in the 1970s.

Following the U.S. lead, European

See TERROR, Page 4

Illich Ramírez Sánchez in 1975.

graphics capabilities that transformed the

way millions of legitimate businesses pro-

But the criminals are feeding their com-

puters images of legitimate checks drawn

on legitimate accounts. They change the

date, the name of the payce and sometimes

the check number, and make dozens of

duce newsletters and advertising.

Where Carlos Has Struck

Terrorist attacks in which Carlos was believed to have been involved:

1973: Wounding of Edward Sieff, whose family controlled Marks & Spencer stores, in London.

1974: Takeover of the French Embessy in The Hegue.

check fraud are using the same inexpensive personal computers with sophisticated most stationery stores. which can be bought at most stationery stores. bad checks in the Southeast, totaling more than \$2 million.

In a particularly brazen case, a Los An-

geles-based gang has been roaming the

country cashing fake payroll checks at

banks, bank and law enforcement officials

In the next few weeks. 12 members of

the gang will be sentenced in U.S. District

Court in Charlotte, North Carolina, for

their involvement in passing thousands of

1975: Killing of two French intelligence agents who were investigating attacks on planes of Israel's El Al airline at Paris's Orly Airport.

An attack on OPEC headquarters in Vienna in which three people were killed and 11 taken hostage. The cartel's oil ministers were taken to North Africa in a hijacked plene end held for a rensom of \$1 billion.

1976: Hijacking of an Air France jetliner to Entebbe, Ugande. 1982: Bombing of the Paris-Toulouse express train in which six people were killed

Bombing near the Champs-Elysées in Paris that killed a pregnant woman and wounded 63 other people.

1983: Bombings in Marseille's main railroad terminal and on the Marseille-Paris express that killed five people and wounded 50.

Bombing of French cultural center in West Berlin that killed one person and wounded 23.

"They have hit all over the country,"

Jessie Wood, an investigator with the Se-

cret Service in Charlotte, said. "They were

in Boston last week with exactly the same

The American Bankers Association says

desktop publishing counterfeits are the

See FORGERY, Page 11

Kiosk

2 German Judges To Be Replaced

BONN (Reuters) — Two German judges at the center of a controversy over a ruling that appeared to show sympathy for a far-right leader's anti-Semitic views will be replaced, court officials said Monday.

Wolfgang Müller and Rainer Orlet will be replaced immediately, the court said, because of "long-term illness."

Beginning today, the crossword puzzle has a permanent spot on the next to last page, or Page 17 in this issue. The new location will make working the puzzle more convenient — if not necessarily any



IN MEMORY — Emperor Akihito and Empress Michiko bowing Monday in memory of those who died in World War II. Page 5.

Newsstand Prices	Dow Jones	rib Inde
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Bad-Check Artists Forge Ahead on Personal Computers NEW YORK — The proliferation of -desktop publishing has brought a new growth industry: the counterfeiting of virtually undetectable fraudulent checks that banks and law enforcement officials say could cost the U.S. economy \$1 billion this Perpetrators of this fast-growing kind of copies of the fake oo a laser printer loaded

100.17

Free at Last, Russian Tourists Flock to See the West

By Lee Hockstader Washington Post Service

MOSCOW - Thrilled as schoolchildren on their first field trip, the three Russian women in line for Aeroflot Flight 253 to Paris on a recent morning could hardly contain themselves. One was a teacher, the second a

doctor and the third a young police officer. All were on their way to the French capital for the first

"I've never even been abroad before. I can't even imagine it," said Svetlana Kuznetsova, 22, who, with her ciaborately coiffed blond hair, best blouse and freshly painted red fingernails did not look like a police officer from Siberia. She intends to visit EuroDisney near Paris. "I'm going to buy perfume," decided Olga Mashnova, 38, a high school chemistry teacher in Siberia who had

never been further from home than Bulgaria, "And cosmetics. And see the Eiffel Tower."

Like the hordes of American tourists who flocked to Europe after World War II, parading new wealth and indelicate manners before astonished and sometimes appalled locals, Russians are invading Europe this summer by the tens of thousands. The last time so many

Russians tromped across Europe was in 1945, when they fought their way to Berlin. Throngs of Russians, many oo cul-rate tours, are wandering open-mouthed up the Champs-Elysees, snapping photos of the changing of the guard at Buckingham Palace and swoooing from sunstroke at the Coliseum.

Some of the travelers no doubt are gangsters and hotshot young biznesmeny, peeling \$100 bills off fat billfolds and snapping up snazzy real estate, luxury cars and the

latest haute couture. To be sure, a week in Paris is out of reach for a large majority of Russians, who must struggle to get by on tiny salaries and pensions.

kind of scheme,"

Traveling abroad remains doubly difficult for most Russians because of staggering government red tape, including still-required security approval, which means that getting a passport can take months.

But many of those heading westward this summer are oot wealthy or well connected. They are simply comfortable, determined, lucky or corrupt enough to have saved the several hundred dollars necessary for a week's package 10 the city of their dreams. Waiting in line for the Aeroflot flight, with their cheap luggage and starry-eyed

See RUSSIANS, Page 4

Post-Wörner NATO Unlikely to Overcome Paralysis

By Joseph Fitchett International Herold Tribune

PARIS - No matter who succeeds Manfred Wörner as secretary-general of NATO, the alli-ance stands scant chance of surmounting the semiparalysis that has overtaken the security policies of the member states, officials

With the Clinton administration showing little interest in exerting leadership on security issues, the leading European allies are deeply at odds about the direction NATO should take.

All these governments see NATO as indispensable, crucial even to prospects for French-German hopes of greater military cooperation among the Europeans themselves. But disputes about the direction of cooperation in Europe displayed last month in public hickering about the choice of a new European Union head loom as large over how to define a vigorous future for the trans-Atlantic alliance.

In his five years as secretary-general, Manfred Wörner grew in stature from a rather stiff former German defense minister into a personal and political force behind the scenes in alliance councils. He refused to step down despite the worsening cancer that killed him Friday, partly in hopes

British Rail Network

Again Shut by Strike

2 Days of Travel Disruption

Hit Vacationers and Freight

Since June 15, workers have

At least one public opinion

mounted seven 24-hour strikes, and two 48- hour strikes. An-other daylong stoppage has been planned for Aug. 22.

poll appearing in a Sunday

newspaper suggests that public

sympathy may be more with the strikers than with the govern-

According to the survey in the Mail on Sunday by Market

& Opinion Research Interna-

tional, 54 percent of 750 people questioned by telephone last week said the government

should make a move to hreak

the deadlock by offering to pay

At the same time, 56 percent

As a result of that poll, the

opposition Labor Party called

on the Conservative govern-

ment late Sunday to do more to

bring an end to the dispute. "It

is time this Tory government adopted Winston Churchill's

motto: 'Trust the People,' " said

Frank Dobson, Labor's spokes-

man on transportation issues.

"Their judgment is right. The

Railtrack says it has offered

government should pay up and

the signal workers a 7.2 percent

wage increase between April

and October this year, and a final package that will provide

increases up to 10 percent, as

well as improved holidays and

settle the strike."

of those surveyed said they sided with the strikers over the

more money to the strikers.

By William Schmidt

New York Times Service
LONDON — Striking signal
workers shut down Britain's
railroads again Monday, the be-

ginning of a two-day work stop-

page that is the latest round in a

0-week-old dispute that has

frustrated summer travelers

and wreaked havoc with freight Rail officials using supervi-

sors said they managed to keep one in three scheduled trains

running Monday, but platforms in many of London's mainline

stations were all but deserted. as both tourists and travelers

scramhled for other ways to get

At freight depots across Brit-

ain, and along lines leading to

the recently opened rail tunnel

beneath the English Channel, shippers were using trucks to

There is little sign that either

side is ready to give ground in the dispute, which has stirred

memories of the kind of hitter

labor turmoil that paralyzed Britain during the 1960s and 1970s. The dispute already has

lasted longer than any other since Britain's rail network was

The leaders of Railtrack, the

state-owned company set up

earlier this year to operate Brit-

ain's track and signal system,

vowed Monday they would not

put any more pay offers on the

all the offers we can make," said Robert Horton, chairman of

Railtrack. "We are not pre-

pared to pay to open negotia-

Members of the Rail, Mari-time and Transport Union,

which represents signal workers, said they would continue

the periodic one- and two-day

strikes until the government agrees to put up a larger pay settlement, including rewards

for increased productivity, as a

The 48-hour work stoppage

beginning Monday came on the heels of a 24-hour strike on Fri-

day, crippling travel during the

heart of the August vacation

basis for new talks.

nationalized in 1947.

move perishable cargoes.

around the country.

more seriously. At a marathon meeting in August 1993 about using NATO warplanes in Bosnia, the diplomatic deadlock was finally broken when Mr. Wörner made an emotional plea for action, saying that he maker said this weekend, has sharpened fears

NEWS ANALYSIS

had left his sickbed to preside over what he saw as a critical decision for the alliance's future.

Mr. Womer, while ohliged to follow a policy line set by governments, insisted vigorously behind the scenes that NATO should seize the opportunity to intervene in the former Yugoslavia and demonstrate that it could preserve stability in Europe when the United Nations had visibly failed.

But Mr. Wörner's vision of NATO's survival has gradually lost ground to a less risky approach centered on a political opening to the ex-Communist countries in Eastern Europe and the former Soviet Union.

Although NATO remains committed to a peacekeeping role in Bosnia, the Clinton admin-

the allied security cooperation that is NATO's cian, Mr. Ruhe has been influential in promoting justification.

among East Europeans about their own security not because of objections to seeing a German and driven the alliance to offer political reassur- succeed his own countryman but because Mr. ances to them, known as the Partnership for Rühe's national political ambitions.

The overture has been backed by Germany and the United States to give visibility to NATO as a force for Western action in stabilizing East-

that NATO's initial emphasis on military-tomilitary cooperation with East European nations
—which could quietly prepare the way for intervention in a crisis — has started losing headway.

Therein trianelizes to a material trianelizes trianelizes to a material trianelizes triane

The slide toward dwindling attention to NATO will be hard for Mr. Worner's successor to reverse, even if allied governments manage to choose a strong candidate in a selection process likely to be largely in the hands of Europeans because of the disinterest in Washington.

One man stands out as a successor with the politicians.

that his own courage in staying on the job might istration is considering unilaterally lifting the shame allied governments into taking NATO arms embargo there. Such a step would threaten fense minister, Volker Rübe. A forceful politian international security role for Germany, the

A SECURE OF STREET, AND SECURE OF SE

country holding the key to a stronger Europe.

The diplomats who cited Mr. Rithe said, however, that he was a remote outsider for the post,

A second strong candidate is Hans van den Broek, a former Dutch foreign minister. Mr. Broek has been a forceful advocate of a stronger NATO, well liked in Washington and London. But German leaders might feel obliged to back A U.S. official in Europe conceded Monday French challenges to a man viewed in Paris as

> Without strong U.S. pressure behind a strong candidate, the final choice could come down to Thorvald Stoltenberg, a former Norwegian for-eign minister, and Giuliano Amato, a former Italian prime minister who has escaped the scan-

dal engulfing so many of that nation's.

WORLD BRIEFS

Sniping Persists in Parts of Sarajevo Despite the Serb-Muslim Agreement

SARAJEVO, Bosnia-Herzogovina (Reuters) — Sniper fire persisted here Monday after a Serb-Muslim agreement to end the scourge took effect, said a UN spokesman, Major Rob Annink. Marksmen preying primarily on civilians on both sides were supposed to stop firing Monday morning under the UN-mediated anti-sniping accord, but shooting was reported later in two districts of the city. There were no reports of injuries.

The UN spokesman said shots rang out in two Serb-controlled suburbs on the southwest fringes of the Bosnian capital, which is

rounded by rebel Serbs. The Holiday Inn area near the city center, long plagued by Serbian sniper fire from surrounding hills, was quiet before and after the agreement took effect, with pedestrians walking undisturbed past exposed intersections.

Bangladeshi Author to Accept Award

STOCKHOLM (AP) — Taslima Nasrin, the Bangladeshi author who took refuge in Sweden last week, will emerge from hiding to receive an award on Thursday, the news agency Tidningarnas

Telegrambyra reported Monday.

The Kurt Tulcholsky Prize traditionally is given to writers who follow pacifist ideals. She fled death threats in Bangladesh from Muslim extremists enraged by her calls for changes in Islamic law. "She wants to work and we are happy to have her as our guest." said Gabi Gleichmann, chamman of Sweden's branch of the international writer's group PEN, which announced her selection.

General's Party Leads in Guatemala

GUATEMALA CITY (Renters) — The party of the former dictator Efrain Rice Montt, promising to stamp out crime and corruption, headed toward victory as nearly complete results

came in from Sunday's congressional elections.

Although the Guatemalan Republican Front Led by General Rios Montt is unlikely to win a majority in the new Congress.

Party for National Advancement. Party for National Advancement.

With 95 percent of the votes counted, the Supreme Electoral Tribunal said the Republican Front had won 33 percent of the vote, followed by the Party for National Advancement with 25 percent. The Christian Democrat Party trailed with 11 percent. Party because of extremely heavy rains, less than a quarter of the electorate voted.

Woodstock '94 Ends in Muddy Fun

SAUGERTIES, New York (Renters) — Woodstock '94 ended early Monday much as it began, with good humor by fans amid organizational chaos. "The food was overprized but the atmosphere was great," said Rachel Rango, a 20-year-old student at Kent State University in Ohio.

The ever-present mud kept everyone talking. After severe storms Saturday and early Sunday, the 840-acre (335-hectare) site was a sea of brown slime. Doctors reported hundreds of broken bones and swams from those who lost their footing.

bones and sprains from those who lost their footing.

Despite the tensions caused by the bad weather and organizational problems, the crowd, estimated at nearly 350,000 people at its peak, proved to be virtually free of violence. There were only 18 arrests connected with the three-day festival and only four on the

Gunmen Kill 2 Chinese in Algiers

TUNIS (Remers) — Two Chinese expatriate workers were shot to death in their car on Monday in a suburb of Algiers, a spokesman at the Chinese Embassy there said.

The identity of the gunmen was unclear, but Muslim fundamentalist militants lighting to topple Algeria's army-backed government have told foreigners to leave the country and have threat ened to kill those who remain.

At least 58 foreigners have been killed in Algeria since September in attacks blamed on the fundamentalists. A diplomat at the embassy, contacted by telephone from Tunis, said the dead men worked for a Chinese hydranlics company.

TRAVEL UPDATE

Wildfires Ravage 5 Greek Islands

ATHENS (AP) — Fire fighters on five islands battled wildlines Monday that have destroyed large areas of farm crops and pine forests as a severe heatwave gripped Greece.

Fire-fighting aircraft dumped tons of sea water on wildfires on the northeastern Aegean islands of Lesvos, Thassos and Chios

while special mobile units battled blazes on Corfn and at Acgina in the Saronic Gulf near Athens. Officials said most of the fires were started by discarded cigarettes.

A cholera outbreak in the southern Russian region of Dagestan has killed 14 people and 478 people are suffering from the disease. Five towns in Dagestan were declared quarantine zones this month after an outbreak of cholera among pilgrims returning from Saudi Arabia

Bangledeshi cities were paralyzed Monday by a six-hour nationwide strike called by the opposition Awami League to press for a trial of generals responsible for a 1975 coup.

(AP)

Foreign visitors to a popular site in Vietnam, the 3,000 islands of Ha Long Bay, will be able to roam the area for the first time by scaplane. Until now, tourists have only been able to visit the bay and its steep limestone islets by boat.



William King, 78, shaking hands with local people on Monday in Cavalaire, France, after the commemorative jump.

U.S. Vets Mark Invasion With a Splash

CAVALAIRE, France — Overcoming red tape and old age, four former U.S. paratroopers dropped gently into the Mediterranean on Monday to mark the 50th anniversary of the Allied invasion of southern France in World War II.

Thousands of vacationers standing in waist-high water lined this Riviera beach and applauded as the veterans jumped from a French Army helicopter under billowing domed parachutes from 400 meters (1,300 feet). They were picked up by French sailors in speedboats.

As fireworks, colored smoke bombs and noisemakers erupted in the crystalblue skies, the veterans came ashore in a re-enactment of the landings and were

greeted by local officials. "Vive les vétérans!," townspeople

shouted from their balconies as the vets, who had time to change into dry uniforms, paraded down the packed streets. People lined up to touch them, shake hands and present gifts.

hands and present gifts.

"It's like 50 years ago," said Leslie Green, 71, of Selma, California. "We got a warm welcome then, too."

Mr. Green was joined by William King, 78, of Long Island, Virginia; Angelo Polituo, 80, of Farmington Hills, Michigan; and Ken Shaker, 78, of San Diene California. A fifth vereen Free. Diego, California. A fifth veteran, Everert Hall, 75, suffered a sudden case of dysentery and was unable to jump.

The jump, approved only after weeks was the m

troops 10 weeks after D-Day in Norman-It feels great," said Mr. Shaker, who

led a tough struggle to get his men air-borne. "It's a big relief we finally got to

There's always a worry when you prepare for a jump, and none of us had ever jumped over water before. But in may experience, once you strap the chaite on, sort of calm comes over you.".

All the men except Mr. Polinto, who was taken prisoner at Anzio, fought in Operation Dragoon, and all are former members of the 509th Parachute Infantry Regiment. They dedicated Monday's event in two days of commemorations of disappeared over the sea during the inva-Operation Dragoon, the invasion of sion. Twenty young French paratroopers southern France by U.S. and French followed the Americans into the water.

Life Might Be Worse Without Him, Berlusconi Says

unrest and economic disorder corruption scandals. would result if he were forced to

During a three-day holiday weckend, Mr. Berlusconi began Sunday night at a news confer-

The Associated Press a crusade both to win over a ROME — Harried by a highly critical coalition ally and plunging lira and weak finan- to persuade the Italian people cial markets, Prime Minister that any prime minister hut Silvio Berlusconi tried Monday himself would spell disaster for to make his critics worry about a country hit simultaneously hy life without him, predicting that an economic crisis and political

In a television interview with RAI state TV, Mr. Berlusconi

ence, that disorder would fol-low if political squabbling forced him to resign.

He also called unthinkable any return to an "institutional government," meaning the appointment of a nonpolitical prime minister such as his predecessor, Carlo Ciampi.

That possibility "would go reiterated his view, laid out late against the will of the citizens and thus this can - I really

believe it — lead to economic disorders and also real unrest," Mr. Berhisconi said.

Mr. Berlusconi indicated that his peace pact with the Northern League leader, Umberto Bossi, might not be enough to stop speculation rocking Italy's

Mr. Berlusconi invited Mr. Bossi to his villa for a night of talks that ended at dawn Satur- holiday.

day. On Friday, the lira had plunged to a new record low against the German mark following speculation whether the conservative, three-month-old coalition would survive Mr. Bossi's steady attacks.

The Milan stock market also took a sharp dive Friday. Italian markets were closed on Monday for the Assumption

Council of Churches Backs UN's Population View



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By Robert L. Kroon

GENEVA - Rejecting the Vatican's campaign against birth control by use of contra-ceptives, the World Council of Churches has endorsed a landmark United Nations project for stabilizing the world's spiraling population. The UN document, support-

ed by the United States and other Western governments, will serve as the main guideline for the Cairo conference next month on population and de-The Geneva-hased World

Council is an affiliation of 324

churches and speaks for the vast majority of the Christian world's non-Roman Catholics. Mr. Konrad Raiser, general secretary of the World Council

of Churches, criticized an assertion by Pope John Paul II that the Cairo conference document favored promiscuity, abortion and homosexual relationships. Last week, the Pope's views

received strong support from Islamic leaders in Cairo and Tehran, threatening consensus on a hroad-based conference approach to stabilizing the world population.

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Protestant and Orthodox the Ecumenical Press Service, on doctrinal matters and works churches and speaks for the Mr. Raiser questioned the "wist through moral persuasion."

vast majority of the Christian dom" of what he termed the "Protestant churches are essentially democratic and synod-Vatican's obstructionist cam-

> Mr. Raiser, a leading German Protestant scholar, said he wondered "if this was the best way for the Vatican to defend its outspoken position."

"More recognition for the diversity of responses and convictions on population matters and using pressure to make othvice to Christian witness," he

Raiser said. "Therefore, we cannot accept a ruling by a bishop as the final word. But the Holy See will participate as a government delegation in the confer-

would have done a greater ser- ers accept a certain line." In response to the Vatican's criticism of the UN's popula-Unlike the Vatican, the tion document as being "in-World Council of Churches has spired by American feminists," no decision-making authority Mr. Raiser said he felt women

were rightfully "skeptical of a top-down approach which is

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characteristically masculine."
Mr. Raiser praised the UN's al, arising from the belief m the preparatory document for priesthood of all believers," Mr. showing "increasing aware-ness" of women's views. In this context, he declared that contraception was acceptable to the vast majority of Protestant churches, although they might ence, playing a political role differ over methods.

But he conceded that the ethics of abortion were more ambiguous and difficult. "Abortion issues are tearing Protestant churches apart, like the Roman Catholic Church,"

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Cracks in Some British Concordes

LONDON — British Airways says it has found hairline cracks inside the wings of its seven supersonic Concorde aircraft but that there is no safety threat and that the planes "It's not an airworthiness issue," an airline spokesman said, adding, "There's absolutely no implication for the safe opera-

tion of Concorde." The spokesman said that two of the seven jets with wing cracks had been repaired, and that the Civil Aviation Authority had agreed that the others could fly as long as they were

checked after every 10 trips.

Engineers first found a crack of four inches (10 centimeters) in a spar near the back of one plane and then similar but smaller cracks in the others, close to where the delta wing joins the fuselage, the spokesman said.

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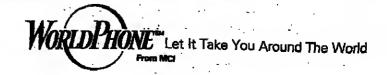
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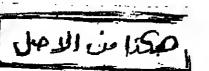
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THE AMERICAS /

Now, Racial and Ethnic Minorities Are Fleeing Central Cities for Suburbs

By Karen De Witt New York Times Service

WASHINGTON - After decades in which America's cities worried primarily about white flight, cities are now facing the increasingly rapid departure to the suburbs of middle- and working-class minor-

No longer the discrete, bomogenous "Leave it to Beaver" bedroom communities of the 1950s, the suburban destinations of minorities now constitute a broad patchwork that includes ioner suburbs, large suburban cities, office parks, retail centers and even low-density rural territory, according to William H. Frey, a demographer at the University of Michigan who specializes in racial distribution patterns.

Some experts think the pattern of subur--banization may also be more complex hecause of the diverse racial and ethnie minority groups involved and because racespace dynamics will play out across the with the overall suburhan population, polinew suhurban communities in the sprawling, less dense sections of the South and

Indeed, minorities experienced a higher percentage of growth in the suburhs than in the central cities, the 1990 census showed. From 1980 to 1990, the black population in the suburbs grew by 34.4 percent, while the Hispanic population grew hy 69.3 percent and the Asian population by 125.9 percent. By contrast, the white population in the suburbs increased

by 9.2 percent.
"Minonty suburhanization took off in the 1980s both as the black middle class came into its own and as more assimilated Latinos and Asians translated their moves up the socioeconomie ladder into a suburban life style," Mr. Frey said.

Though the actual numbers of minorities in the suburbs are small compared suburbanization of minorities has important implications for the inner cities, for national urban policy and for the suburbs.

Members of minority groups, like others who choose to flee the cities, move to the suburbs for a variety of reasons: affordable housing, better schools, lower cost of living and amenities like space and greenery. But most often they say they move to escape the violence and incivility associated with center cities.

Michael and Verna Frazier of Washington recently joined the exodus to the suburbs. Black professionals who reveled in living where the population was predominantly black and middle class, they were committed urban dwellers who had expected to raise their two daughters in the city. Then came a predawn burglary last

"I heard them and they heard me, and so cy makers and urban planners say the they left," said Mr. Frazier, a professor of political science at Howard University here. "But our physical safety had been jeopardized. That did it for us.

> Today, the Fraziers live in nearby Temple Hills, Maryland.

Some sociologists contend that the departure of more affluent minorities to the suburbs from inner-city neighborhoods is simply adding to urban deterioration.

"It's a major problem for urban America," said Vincent Lane, chairman of the Chicago Housing Authority, "Suburpanization isn't about race now; it's about class. Nobody wants to be around poor people, because of all the problems that go along with poor people; poor schools, unsafe streets, gangs.

Over the last decade, Washington's pop-

600,000 today. The loss of blacks from the stone to the suburbs. city was nearly three times as great as for whites - 17.800 black households, as against 6,200 white.

Washington is unusual in that collegeeducated blacks led the evodus to the suburbs ahead of any other group, Indeed,

14.2 percent left from 1980 to 1990. During that same period nationwide, the number of blacks living in the suburbs increased to 8 million from 5.9 million, a 34.4 percent increase.

"What is going on is not so much black suburbanization as black middle-class suburbanization," Mr. Frey said.

Nor is the move limited to the black middle class. People of Hispanic descent as well as Asian-Americans experienced overall higher rates of suburbanization than did blacks during the same period.

ulation declined by nearly 100,000, to often viewing the city only as a stepping

Nationally, from 1980 to 1990, the number of Hispanics living in the suburbs rose to 8.7 million from 5.1 million, an increase of 3.6 million. The number of Hispanic people living in cities grew to 11.5 million in 1990 from 7.8 million in 1980, an increase of 3.7 million, or 47.5 percent, During the same 1980-90 period, the suburban Asian population grew by 2 million, to 3.5 million from 1.5 million in 1980, or by 125.9 percent.

Nationally, the suburbs still remain mostly white, with minorities constituting 41 percent of the central-city populations and less than 18 percent of the suburban population. About 95 million whites lived in the suburbs in 1990, as against \$7 million in 1989, a 9.2 percent increase.

Dole Denies Stalling on Realth Care

WASHINGTON - Bob Dole, the leader of the Senate's minority Republicans, denied Monday that Republicans were stalling the health-care debate, but said they want to tell their side of the story.

"I don't think there'll be any votes today" Mr. Dole said. "I'm not sure there are going to be any votes tomorrow."
But, he added, "We're not in a filibuster; we're not trying to

He said he was worried that a bad bill would be passed. "What I don't want to see happen is enough Republicans peel off to pass a terrible bill." said Mr. Dole, a Kansas Republican. "What I'd like to see is enough Democrats peel off to

stop a terrible bill. He said a bipartisan group of senators led by Senator John Chafee, Republican of Rhode Island, has "a lot more in common" with his bill than with one put forward by George J. Mitchell, the Senate majority leader. Mr. Dole's bill includes insurance reforms and subsidies for the poorest Americans, but has no mandates or taxes. But, he said, the group is

not talking to him, only to Mr. Mitchell.

On Sunday. Dole indicated compromise might still be

"Is there an opportunity for compromise? Maybe," he said during a television interview.

Support for (Another) Rival Health Plan

WASHINGTON - The largest lobby of small-business owners announced its support over the weekend for the health care plan put forth Thursday by Representative Jim Cooper. Democrat of Tennessee, and nine other conservative Democrats and Republicans.

Jack Funs, president of the National Federation of Independent Business, which represents 600,000 small-business owners and has been extremely active in the formation of the hill, praised the proposal as "the most viable" alternative to other proposals, particularly the plan offered by Representa-tive Richard A. Gephardt of Missouri, the House majority

"Small-business owners want market-based health care reform with no employer mandates." a key feature of the Cooper plan, he said. The Gephardt plan would require

that the group was stopping short of endorsing the bill. But on a scale of 1 to 100, he said, the Cooper plan would rate a 90, "and we'll do everything we can to see it get through the

Quote/Unquote

Senator Bob Packwood, Republican of Oregon, on Demo-

Foes Willing to Try Again on Crime Bill

The Associated Press

WASHINGTON - The Panelia. White House and a Republican work together to pass a crime Georgia. bill but renewed their dispute Trying over who would have to compromise and just how much,

"The president was disapare not going to walk away from this fight," pledged the White heart out of this country.

House chief of staff, Leon E. The White House rebounded "I think we'll pass a crime back to the \$33 billion bill with

ident Bill Clinton on Sunday had urged Congress to set aside pointed with this loss, but we petty politics and strike at the

The ministry said the latest

uation" because if the boat were

allowed to depart, "such an ac-

leader of Congress said Mon-day that they were willing to can whip, Newt Gingrich of wayward lawmakers. On Monday, Mr. Clinton was to contin-Trying to shame lawmakers ue his effort, bringing relatives ments, "particularly the ban into passing the crime bill, Pres- of crime victims to the Rose assault weapons," are vital. Garden to keep pressure on

Congress.
Mr. Panetta, appearing on violence that "is eating the NBC, said that "over the weekend we urged the Republican

leadership to meet with the Democratic leadership and talk from last week's surprise setwith each other about what needs to be done to bring this crime bill back to the floor." But he said several key elements, "particularly the ban on

Mr. Gingrich, also appearing on NBC, said, "I think the president ought to meet with Republicans leaders and see if we can craft a bipartisan compromise," but he reiterated his complaint that the bill contains

"social pork." House Speaker Thomas S. Foley. Democrat of Washington, appearing on CBS, hinted that some programs offering youths an alternative to crime were negotiable. "If we have to pay the price to take out some good programs to satisfy the critics. I'm not opposed to do-

ing that," he told CNN. Backers said the bill would put 100,000 more police on the streets, build more prisons and jails, finance crime-prevention programs and require life imprisonment for certain threetime violent offenders.

Mr. Panetta told CBS that lawmakers "ought to be ashamed of themselves," and insisted that Mr. Clinton will push forward on the bill.

Mr. Clinton, speaking Sun-day to a mostly black congrega-tion at a church in Maryland,



President and Mrs. Clinton arriving back at the White House Monday from the Camp David presidential retreat.

are designed to "offer a hand of court members of the Congreshope," giving youngsters alter- sional Black Caucus who voted natives to violence through bas- against the crime bill Thursday. ketball, swimming and anti- forming an unusual alliance drug programs. with gun-

with gun-control foes and Re-

employers to pay 80 percent of their workers' costs.

John Motley, the federation's chief lobbyist, said

crats' pleas for the passage of a health bill: "In essence, every one of their opening statements was that little Nellie is tied to the railroad tracks, and the train is coming down the track. and the train is going to cut off her legs and she does not have any insurance coverage. And the solution of the Democrats is to make sure she is insured. I think the solution of the Republicans would be to try to stop the train."

Cubans Try to Seize a Ship Hundreds on Tanker Demand to Go to U.S.

MARIEL, Cuba - About munist Party first secretary in 500 Cubans demanding to go to Mariel, Esteban Alfaro, as saythe United States occupied a ing about 200 people of the foreign oil tanker here, officials group were from the town itself said Monday, prompting Presi- and the rest were from other dent Fidel Castro to visit the parts of Havana Province.

Hundreds of police officers began Sunday after a ceremon, and members of militia units began and members of militia units began and ported to bave been slain durported to bave been slain dur the harbor to prevent the tank- week, the Interior Ministry er, identified as the Maltese- said. flagged Jussara, from leaving. State radio quoted local offi-

cials as saying that 500 people, including many women and children, had boarded the tankthildren, had boarded the tank-docked. It said they boarded the ship "with the apparent complicity of the Greek capvisited the scene late Sunday, tain.

staying until the early hours of Monday to get firsthand details of the incident. The standoff in Mariel came as the U.S. Coast Guard report- tion would set a bad precedent ed that it had helped 371 Cuban and could jeopardize maritime refugees reach shore in Florida during the weekend, the higgest

On Monday, dozens of peosara. The area around the ship was sealed off by security would continue to receive Cu-

transport, the supplying of fuel for power plants, foreign trade and obtaining goods for the three-day total since the Mariel population." boatlift of 1980. The statement noted that the ple could he seen moving latest incident came after Secre-around on the deck of the Justopher said the United States

bans who had left their home At one point, at least nice land illegally. jeeps carrying police drove to-wards the dock area. At the Sunday ceremooy, authorities honored the officer re-

State radio quoted the Com- ported to have been killed last week and harshly criticized the United States for encouraging dangerous escapes to Florida.

The asylum-seekers appar-

ently took advantage of the situation with a large crowd at the port and boarded the Jussara began Sunday after a ceremony while revolutionary forces were deployed at the port, and ported to bave been slain dur-two navy patrol boats were in ing the seizure of a vessel last mony were going home." The number of Cubans flee-

ing their country in boats and The ministry said the asylum rafts has increased steadily in seekers arrived at the port, 40 the last two weeks, since President Castro threatened to open kilometers (25 miles) west of the capital, while the Jussara was Cuba's ports to anyone who wants to leave.

said the prevention programs



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Away From Politics

 An anti-abortion extremist, who has advocated killing abortion providers as "justifiable homicide," pleaded oot guilty in Pensacola, Florida, to charges that be violated the new federal clinic-protection law in the killing of a doctor and a volunteer escort. Paul Hill's court-appointed lawyer said be planned to challenge the constitutionality of the law.

 Nearly 1,000 demonstrators sang and prayed as they marched on North Dakota's only abortion elinic, in Fargo. Bishop James S. Sullivan, a Roman Catholic, ignored criticism by the clinic's administrator, Jane Bovard, who called the march "incredibly irresponsible" in view of the killings in Florida.

A sand cliff collapsed onto children at a park on the Lake Eric shorelioe oear Loodon, Ontario. Four boys died, Police said

the children were digging into the base of the cliff when it toppled onto them.

· A Los Angeles suburb may be the only place in the United States where people cannot even smoke in their own backyards. In Rolling Hills, an outright ban oo smoking has been in effect since 1978 and was largely unenforced, but police began handing out leaflets warning that anyone caught lighting up outdoors faces a \$1,000 fine and six months in jail.

 Police fired tear gas into an apartment building in Garfield Heights, Ohio, to flush out a man suspected of shooting three police officers and a tenant. The tenant and ooe officer died. Harry Mitts, 44, who told police he bad "eoough ammo to hold you off all night long," surrendered after six hours.

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No New Self-Rule if Militants Are Not Stopped, Rabin Warns

By Caryle Murphy

KISSUFIM, Gaza Strip - Prime Minister Yitzhak Rabin warned Monday that Palestinian self-rule would not be expanded until Palestinian authorities took stiffer measures to curb Islamic militant attacks against Israe-

His threat came a day after guerrillas of the Islamie Resistance Movement, or Hamas, shot dead an Israeli civilian — the first killed in Gaza since autonomy began last May — and wounded six others in attacks on a road leading to a large Jewish settlement there.

The Palestinian self-rule government in Gaza moved quickly after Sunday's attacks, condemning the "irresponsible acts of Hamas" and rounding up about 40 activists of the movement for questioning, according to Harnas sources. Officials also announced moves to confiscate illegal weapons.

Mr. Rahin's remarks, along with an Israeli decision to postpone the scheduled Monday opening of free passage between Gaza and the other self-rule area of Jericho in the Wesi Bank, appear aimed at pressuring the Pales-tinian leader, Yasser Arafat, to move against

It is a task Mr. Arafat had hoped to avoid, because direct confrontation between his loy-alist police force and Hamas militants could degenerate into intra-Palestinian fighting. It could also expose Mr. Arafat to accusations that he has become Israel's "policeman" against other Palestinians.

Mr. Rabin spoke to reporters after an early morning visit to Gush Katif settlement and just before Israeli and Palestinian negotiators began huddling again for talks on extending the autonomous area.

He stressed that those discussions would continue but added that "we will not set a date to implement" any agreements reached unless measures are taken against those attacking Israelis.

We expect and we demand the Palestinian Authority to take measures to prevent, or to make a real effort to cope with, this threat," Mr. Rabin said. "We consider it their respon-

sibility They are not doing it."
"They can do much better," be said. "It is inconceivable that we will continue the process if we won't see a serious effort" to deal

Despite Mr. Rabin's statement - undoubtedly also designed to reinforce his tough image with the Israeli public - Israeli military and civilian officials have expressed satisfaction with the lower level of violence in Gaza and the West Bank since self-rule be-

Some of the officials had praised the performance of the Palestinian police despite logistic and equipment shortages and a lack

of training.
Since Palestinian police took up their duties May 18, three Israeli soldiers have been killed in shootings. Hamas has taken responsibility for the slayings, and Palestinian police

have not arrested any suspects.

A fourth soldier died from wounds received during a day of rioting hy Palestinian workers frustrated over delays at a checkpoint into Israel. Two Palestinians were killed that day. Hamas's political wing has said it would

use only nonviolent means to oppose the selfrule accord and over the past two months has worked openly with secular groups that also reject the deal. But its military wing has vowed to continue violent attacks on Israeli

U.S. Welcomes Sudan's Role

Khartoum Has Been Listed as Terror Sponsor

WASHINGTON - The United States applauded France on Monday for apprehending the guerrilla known as Carlos, and said Sudan's involvement in the arrest was a welcome sign from a nation Washington regards as fostering

"Obviously, we applaud the government of France for its resolute efforts to bring to justice one of the most notorious terrorists of the past 20 years," said the State Department spokesman, Mike McCurry,
"The arrest of Carlos serves notice to all ter-

rorists that their crimes will not go unpunished or forgotten by the international community." Mr. McCurry said.

born Illich Ramirez Sanchez in Venezuela, was Glohal Terrorism."

detained Sunday in Sudan and turned over to The move cut off U.S. aid to Sudan. detained Sunday in Sudan and turned over to

Interpol agents for extradition to France, where he was being held Monday.

"We appreciate Sudan's actions," Mr. McCurry said, adding that this could mark the beginning of a Sudanese move "to distance itself

However, Mr. McCurry said there was no thought now to removing Sudan from the list of countries designated as sponsors of international

terrorism by the U.S. government, In Khartoum, government officials urged the United States to remove Sudan from the list.

Sudan was added a year ago for granting sanctuary to such organizations as Hezbollah and Palestine Islamic Jihad, according to the Carlos, one alias for the guerrilla who was State Department's latest report on "Patterns of

TERROR: International Pressure Finally Paid Off

Continued from Page 1

countries also adopted increasingly uncompromising attitudes on terrorism. France, which bad especially focused on Carlos because of his murders of French appeal. counterintelligence operatives, ended its covert arrangements with Palestinian and Italian terrorists, under which they were left untouched in exchange for immunity for French targets.

The last cover for this generation of international terrorists disappeared with the collapse of the Soviet system, which swept away the regimes that of-fered funding, intelligence and safe haven to known terrorists. many of whom had connections to Soviet intelligence.

Carlos epitomized this gener-ation of high-profile, elusive or the passengers of a hig pasoperatives, who, by the 1980s, senger jet smacked of the class had become what one U.S. spe-struggle. cialist calls "designer terror-

In Europe and in the Middle

East, claims of political oppression have lost their resonance thanks to the resilience of democratic societies and, more recently, the peace momentum between Palestinians and Israelis. As popular fervor waned, notorious terrorists found themselves exposed to growing risk as their sponsors and protectors came under internation-

Of course, the arrest of Carlos only ends a chapter of international violence in which kidnapping a group of oil ministers

"He made some international

including nuclear hlackmail, against Moscow.

form of terrorism, characteris-tic of the late Cold War, waged by operatives who were identified in the West hut able to hide His seizure does not put an in Soviet satellites in Eastern ists." meaning that the name end to international violence Europe or the Arah world.

CARLOS: Long-Sought Guerrilla Is Caught in Sudan

Continued from Page 1 days" along with several others, but he refused to say how many more people were detained or to

disclose their identities. Mr. Shingieti said the group first stayed in a top Khartoum hotel, then rented an apartment, where they were kept under surveillance because "they were not conducting any kind of activity to justify their presence in Sudan." He said some of the group moved in and out of Sudan, but not the man with

the diplomatic passport.

the security group," the Sudanese official went on, "and that confirmed the suspicion over his intentions." He added that France subsequently informed Sudan that it suspected Carlos had entered the country, while Interpol formally requested his arrest.

France's counterintelligence service has long had a special interest in capturing Carlos because he killed two of its agents when they were about to arrest

Did Syria Provide a Tip To France and Sudan?

By Paul F. Horvitz

ing American expert on counterterrorism said Monday that Syria might have tipped off French and Sudanese officials to the wbereabouts of the terrorist Carlos as a gesture to-

ward Middle East peace efforts. Robert H. Kupperman, wbo led the first interagency studies on terrorism for the U.S. government, said in an interview that Carlos had been under the protection of Hafez Assad, the

Syrian president, for years. Syria has long been listed by the State Department as one of several nations that aid and harbor terrorists, a situation that has complicated U.S.-Syrian relations and efforts toward a comprehensive Middle East peace settlement.

"I think Assad wants closer ties to the United States and WASHINGTON — A lead- lsrael," Mr. Kupperman said.

> As a gesture, he said, Mr. Assad might bave arranged to up off the Sudanese and French that Carlos, who real name is llich Ramírez Sánchez, was going to Sudan.

> "I think he was set up by Assad," Mr. Kupperman said. "He was under Assad's protecuon for years, living in Damas-

If the French had tracked down Carlos on their own, "they would have killed him." Mr. Kupperman surmised.

Sudan is another nation on the State Department's terrorism list and, he added, "The Sudanese don't like being on the terrorism list either."

him in Paris in June 1975. For calls, which were monitored by this crime, which he admitted in an interview with a Paris-based Arah-language magazine in 1979, Carlos was sentenced in absentia to life imprisonment in

An arrest warrant was also issued for his involvement in a car bombing in Paris in April 1982 in which one person was killed and 70 wounded. Mr. Pasqua said terrorist actions organized or carried out by Carlos had killed 15 people and in-jured 200 more in France alone. "Around the world, Carlos himself claims responsibility for the

death of 83 people," he said. With Mr. Pasqua refusing to provide many details of the operation, however, there was inhere about why Sudan's government had agreed to hand over Carlos and about whether deal with Khartoum.

Israeli military officials rehad been holding secret talks with his French and German pledging an end to Iranianlease of Iranians facing terrorist week in Paris. A lot of Russians

Last December, France unnian prime minister.

U.S. Fears Pyongyang May Opt to Restart Reactor

By R. Jeffrey Smith

Washington Post Service

GENEVA — Senior U.S. and North Korean officials must resolve a long list of nuclear topics at talks beginning next month, or Pyongyang may decide to restart a nuclear reactor to produce plutonium for potential use in nuclear arms, U.S. officials disclosed Monday.

The officials said they were optimistic the two sides can meet the deadline, or it could also be extended. But the fact that North Korea has said it will delay restarting the reactor only through the talks beginning Sept. 23 helps explain U.S. cantion in forecasting the outcome of the Washington-Pyongyang nuclear accord reached last week.

Officials on both sides will be under substantial pressure in the next month or so to develop detailed plans for establishing the first diplomatic representa-tion in their respective capitals and providing for the disposition of an estimated 8,000 plutonium-laden reactor fuel rods in North Korea.

However, the principal U.S. task will be to work out a detailed plan for fi-

nancing and constructing two new Western-style reactors in North Korea, a project that may cost \$4 billion.

Although the South Korean president Monday promised major financial and technical assistance, U.S. officials are still contemplating a fund-raising tour of allied capitals in Asia and elsewhere.

They also are working on a plan to brief Congress, which has the right to review the transfer to North Korea of any South Korean nuclear plant components derived from U.S. technology, aswell as to review the direct participation of any U.S. firms.

U.S. law bars the transfer of aid or know-how if North Korea fails to comply fully with international nuclear-inspection requirements, a potential stumhling block.

Without a more detailed understanding on the reactor issue and related energy questions, officials said, North Korea could decide to restart the 25-megawatt reactor at its Yongbyon nuclear complex. Last week, North Korean negotiators said its power was needed to help heat the surrounding area this winter.

Washington offered to provide alternative energy sources. U.S. officials said restarting the reactor open as bargaining leverage. We'll have to revisit that is-

sue" next month, a senior official said. The plan to build the so-called lightwater reactors thus looms as the most complex and politically significant part of the deal. If Washington can figure out a way to assure North Korea now that the reactors will be completed a decade from now, North Korea will immediately halt its construction of two other reactors that could produce abundant Intonium for nuclear arms.

North Korea has also pledged to seal its facility for reprocessing fuel rods if it gets the new reactors, and U.S. officials are optimistic that it may eventually agree to scrap the facility altogether.

Washington favors this deal, Assistant Secretary of State Robert Gallucci explained, because the light-water reactors are less suited to plutonium production than the graphite reactors North Korea is now building.

Some U.S. lawmakers may not be eager to ship to North Korea the kind of Pyongyang wanted to keep the option of restarting the reactor open as bargaining wants to prevent tran from buying and using to develop nuclear expertise that will aid possible bomb-building. Be-cause the reactor deal is not risk-free it gives North Korea continued access to fuel rods that could be used to make plutonium - the Clinton administration will have some selling to do on

Washington must also figure out what sort of assurance will sansfy North Korea that the reactor deal will not go sour. By promising North Korea it would work out which countries will participare in the reactor project. Washington took on the awkward task of deciding how much money each must provide.

In addition to counting on major help from South Korea. Washington is also interested in getting aid from Japan and China. France and Britain also have also shown interest in helping resolve the

UN Hoping To Avert Hutu Flood

By Steve Vogel

Washington Past Service KIGALI, Rwanda — Encouraged by the latest reports from southwestern Rwanda, UN officials expressed opti-mism on Monday that a feared mass exodus of refugees into Zaire could be averted, but they warned that the situation remained so uncertain that a panic flight triggering a humanitar-ian disaster could start at any

While several thousand refugees a day are crossing into the Bukavu region of Zaire, in larger numbers than in the past, no movement close to the scale which inundated Goma last month is yet in the offing, according to senior officials in the UN Rwanda emergency office.

The biggest concern is that reports of retribution against Hutu who stay in Rwanda, true or untrue, could drive hundreds of thousands across the border in a matter of days,

"Remember in Goma it all happened in a period of 72 hours," said Charles Petri, dep-uty director of the UN Rwanda office, referring to the more than I million refugees who poured into the region near that Lairian city in July only to face death by disease.

With one week remaining beuled to pull out of the security era left behind several houses in Kigali. zone they established in southwestern Rwanda and are replaced by around 2,000 UN oops, largely from African nations, many refugees and indigenous residents of the zone appear to be undecided on whether to stay in Rwanda.

In part, this is because of uncertainty about how those who have made the journey bome already have fared. "There have been people here who left for Kigali, but didn't show up," in the French protection zone. "Nobody has come back and said, 'Everything is O.K.,' so we are wondering what happened."

Reflecting the indecision, relief officials said that many of those in the protection zone appeared to be waiting until the last minute before beginning

Several factors are contributing to the second thoughts many Hutu have on seeking refnge in Zaire.

beginning in April.

among some of the potential refugees of the hardships they will face in Bukavu.



A Foreign Legionnaire inspecting the bags of Rwandan refugees Monday at Cyangugu on the Rwanda-Zaire border,

HUTU: A Politician Justifies Genocide Against the 'Originally Bad' Tutsi

Continued from Page 1

because there are numerous surviving,"
Mr. Karera said, "They are using the word
genocide considering the number of Tutsi who were killed."

Now one of the wealthiest refugees in Zaire, Mr. Karera arrived here in his white Japanese pickup with 13 members of his extended family and his servants. A son fore French troops are sched- drove the family's Peugeot sedan. Mr. Kar-

> Most of his constituents are squatting in camps farther south toward Goma, where food rations are meager and water is

To illustrate his antipathy to the Tutsi, Mr. Karera told the following story: "I was talking the other day to a representative of the United Nations High Commissioner for Refugees. I said: O.K., you say the Tutsi are good. But that's like telling me, 'You are white,' when I am black."

The Tutsi, who were seen to be more like:

Europeans because of their beight and slighter physique, were favored by the Belgian colonial administrators, but in 1959 the Belgians changed their policy, helped get rid of the Tutsi king and encouraged

the formation of a Hutu government. A UN referendum in 1961 sealed the Hutn population voted in invor of a Hum-run republic. During this period, tens of thousands of Tutsi were slain by Hutu -or "shortened," according to a common Hutu description of the killing of Tatsi.
But Mr. Karera interprets the 1959 peri-

od as one when he, as a young educated Hutu, was "hunted" by Tutsi for daring to aspire to a higher standing than being a peasant farmer.

Since gaining power in the early 1960s, the Hutu have always been nervous that Now, with the victory of the Rwanda

the Tutsi would again rule them. Patriotic Front, the worst fears of the Hutu

Some Nigeria Unions Quit Mass Strike

LAGOS — The strike hy Ni-gerian oil workers in support of Moshood K.O. Abiola, the unsaid Veneranda Gatavazi, a declared winner of an annulled nurse from Kigali now in refuge presidential election last year, entered its seventh week on Monday, but some other striking unions ended their stop-

"Our strike is still on, and we will stay out until the govern- since he was arrested in June.

ment shows commitment to meeting all our demands," said Bola Owodunni, president of the white collar oil workers rulers. union, Pengassan.

Many union leaders and associates of Mr. Ahiola, a stalled as head of state. wealthy businessman, are optidrop treason charges against

Mr. Abiola was arrested for ment's handling of the coun-proclaiming himself president try's political crisis. in defiance of Nigeria's military

The oil unions want him in-Bank employees in Lagos re-

mistic that the government will turned to work for the first time since July 12 when the Lagos him on Tuesday to ease the ten- branch of the umbrella Nigeria in protest against the govern- official at one bank said.

But most banks in Lagos. Nigeria's commercial center, remained closed. Bank officials said they lacked cash to meet the demands of depositors unable to make withdrawals for more than a month,

We are waiting for money from the central bank to allow sion that has gripped Nigeria Labor Congress hegan a strike us to open for business," an

BOMB: Germans Report Major Nuclear Smuggling Conspiracy in Russia

Continued from Page 1

elsewhere in Russia were and had not been in direct contact with police or security officials for a large quantity of plntoni-there to pursue the investiga-um-239 from Russia. there to pursue the investiga-

tion further. "It might be underpaid Russian scientists are the people who are selling the material." Mr. Beckstein said. "It might be people from the security of the former KGB, or Russian security authorities might be in-

Bayarian investigators said at a news conference Monday that an undercover operative made contact with Mr. Torres in Mu-

on July 19 from German intellito 87 percent pure plutonium-gence that a Spanish-Colombi- 239, mixed with uranium-238. an group was looking for buyers

with Mr. Torres and Julio O. on July 25, they said, and in a hotel near Munich's main railway station he provided them with a million for four kilograms.

The sample, inside an aluminum capsule and wrapped in aluminum foil, turned out un- make neutron bombs. der analysis to be .24 grams, a

A tiny speck of the fine powder can cause lung cancer in anyone who inhales it, and a The Germans made contact small amount in the water supply of a large city could kill hundreds of thousands of peo-

Last Monday, joined by Ja-vier B., members of the group lead container bolding what be vier B., members of the group said was a "sample" of the plumet again with the undercover tonium he could deliver, at \$250 agents, posing as "businessagents, posing as "business-men," in the hotel, offering a 200-gram sample of lithium-6, a material that can be used to

Mr. Torres, one of the others nich in July after receiving a tip tiny fraction of an onnce, of 86 revealed then, was in Moscow

nich with 500 grams of plutoni-um on a Lufthansa flight late

Wednesday afternoon. When the hardshelled black vinyl suitcase Mr. Torres had checked in at Sheremetyevo Airport at Moscow was unloaded, the experts found that it was emitting a tiny amount of gamma-ray radiation - not enough to pose a threat to other passen gers, but enough to make the investigators scan it.

When they did, they detected a shielded cylinder inside. enough evidence to arrest Mr. Torres and his companion after

eration, however, there was inevitably a flurry of speculation RUSSIANS: Iron Curtain Gone, Tourists Jam Aeroflot Flights to See Paris and EuroDisney

"The distance between Moscently claimed that Iran's intel- cow and Paris used to be greater ligence chief, Ali Fallahiyan, than the distance between Moscow and the moon," said Olga Lutovinova, who runs one of counterparts with a view to the dozens of travel agencies that have sprouted in recent backed terrorism in France and months. "But now a journey in-Germany in exchange for debt cluding round-trip air fare from relief, economic aid and the re- Moscow is \$700 to \$1,000 for a

The British report they issued 53,604 tourist visas to Russians by the end of July this year -a 63 percent increase over the same period last year. Italy, Spain, Germany and Greece are receiving record numbers of Russian tourists.

By contrast, in all of 1988, just 2,700 Russian tourists went to Alexandre Keltchewsky, a French diplomat here, said: "Two or three years ago the

the last few weeks, is swamped.

Now these resorts charge completely unnoticeable. And now when you are walking the streets in Paris you can hear Russian speech all over the place. This is a completely new

Western Europe is not the

only destination. Eastern Europe, especially Bulgaria, is popular and relatively cheap. The United States Embassy in Moscow granted 2,492 tourist visas last month. Many more thousands, perhaps more merchants than tourists, are on shopping sprees to places like Poland, Turkey, China and Du-

But Western Europe, especially Paris, is the dream destialmost magical draw for a peo-

"Every Russian is trying to visualize a fairy tale," said Miss Lutovinova, the travel agent.
"A trip abroad is a kind of big event in his life. People have been deprived of comfort for so

Russians," said Mr. Kelt-chewsky, the French diplomat. Lutovinova. "We don't have "The first dollars they earn, they spend it to travel to Paris."

geopolitics and poverty for as long as anyone can remember. Russian-language guidebooks are now available. Still, some Russians require

> travel agents say.
>
> For one thing there's the food. For the Russian palate. weaned on mystery meat, fatty soups and bland potato and vegetable dishes, foic gras and escargots can be a little over-

this culture of food."

"We have to warn people at The French have tried to be buffets not to eat 10 sausages accommodating up to a point three eggs and then fill their cially Paris, is the dream destiDecent hotels are offering good pockets, she said. We have to haten, a place that exerts an deals. At Charles de Gaulle Airbe on the lookout for Ukrainiport, public address announceple who had been confined ments are made in Russian for fat with them, drink vodka and

alone of the Red Brigades or against ordinary people. Ter-Baader-Meinhof, Abu Nidal or rorism, experts say, holds new Carlos was supposed to conjure threats because of the vulneraup images of political comhats bility of modern societies to that long ago lost their mass technologically skilled sabo-

> shown hy recent bomhings against Jewish targets in Buenos Aires and London, fundamentalist Muslim groups, with reported backing from Iran, Sudan and other states, can draw on many zealots to form suicide squads for attacks anywhere in the world. Breakaway ethnic groups in the former Soviet Union may resort to terrorism,

What has disappeared is a

the trek to Zaire.

One is the government cam-paign in which senior members of the new Rwandan government have come to the southwest region to pledge that there will be no retribution against Hntu who did not participate in murdering the estimated 500,000 Tutsi who died in three months of vicious bloodletting

Another is a realization

Continued from Page 1 France had made any secret excitement, these Russians seem positively middle-class.

can afford this now." For many, a week's trip in expectedly released two Irani- Western Europe is not much ans who were wanted in Swit- more expensive than a vacation zerland for the 1990 murder of at a health spa or hotel in the Kazein Rajavi, an Iranian opsumy republics of the former position leader. At present, Soviet Union. Popular summer three Iranians are awaiting trial tourist spots on the Black Sea or here for the 1991 murder of in the Baltic republics used to Shahpur Bakhtiar, a former Ira- cost a pittance for people with the right connections.

high prices, and they want hard currency. But they don't usually provide great service so many Russians are asking, "Why not go to Europe?" situation."

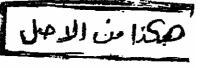
The French Embassy in Moscow, which has been receiving 700 visa applications a day for

the Warsaw Pact nations, by newsstands around the ciry, rooms." Russian presence in Paris was

long. Even if they don't buy anything, they're happy just to be in these beautiful shops where you can find everything." "Paris is a dream for many

coaching on what to expect and how to behave while in Paris,

within their own borders, plus arriving Aeroflot flights. At sing songs in their hotel





Lieutenant General Raoul Cédras, one of Haiti's military rulers, observing the Feast of the Assumption on Monday at the Roman Catholic Cathedral in Port-Au-Prince.

Targeted Haitians Await Call to U.S.

By Rick Bragg

New York Times Service The people at the safe house shirt to show two bullet holes. were broken, maimed, grieving. In a far corner, Jean Fagenes, and in hiding, afraid of being, who says his name is on a list of dragged away and killed. But people to be killed, has nothing their papers, as one refugee said with a bitter smile, were in perfect order.

Willie Jean-Baptiste, dressed in his best clothes in case this was the day he finally got to flee to the safety of the United States, adjusted his the with a disfigured hand that had been pounded repeatedly with a pis-

He is one of hundreds of political refugees hiding in safe houses in and around Port-au-Prince, people who have all the properly signed and stamped documents needed to leave Hai-

Since 1992, Haitians have been told to apply as political refugees at the U.S. Embassy here, and not to risk their lives at sea. Now an estimated 800

are trapped. "Papers, but no transportation," said Mr. Jean-Baptiste. Threats of an invasion by the United States to reinstate Haiti's deposed and extled president, the Reverend Jean-Ber-

country's borders, shut the auport to almost all traffic and made it virtually impossible to get out of the country. Stanley Schrager :: a spokesman for the U.S. Embassy, said the embassy was trying to arrange flights or other transportation by way of the Domini

trand Aristide, have closed the

Republic to get the 800 out of the country. It is a matter of great concern to us," he said. . Mr. Jean-Baptiste shared a concrete floor and a tin roof with about a hundred other people in hiding. Close to him, a man scratched his chin with a finger that did not have a fin-

Sitting near them, Simone Sentrose seemed unmarked, im-PORT-AU-PRINCE, Haiti til she lifted the back of her

> to do but wait. Anne-Marie Charles, a few feet away from Miss Sentrose, said her teeth had been punched out by soldiers when she went to search for her husband. He was dragged from her home last year and is still miss-

> people to be killed, has nothing

The embassy had arranged to get about 100 out on one of the last Air France flights, but the refugees were bumped from the passenger list by paying cus-

■ Venezuela Initiative

James Brooke of The New York Times reported from Cara-

With most Latin American nations opposed to a U.S. mili-tary invasion of Haiti, Venezuela is planning to send a group of regional foreign ministers to Port-au-Prince to try to persuade the country's military rulers to step down and go into

"We call it a Latin American solution for a Latin American problem," said Venezuela's foreign minister, Mignel Angel Burelli Rivas, of the proposal that won wide support at a meeting of regional foreign ministers in Bogotá last weck. "The idea had universal accep-

But a U.S. diplomat said the final peace effort "should come from the United Nations, rather than let some well-intentioned group get suckered into another level of negotiations." The United Nations is expected to send its own envoy to Portan-Prince next week to deliver an ultimatum to Haiti's de facto

Japanese Honor Their War Dead — the Criminals, Too

By James Sterngold New York Times Service

TOKYO - The scene Monday morning at the Yasukuni Shrine, the austere religious mooument to Japan's war dead, was reassuringly familiar: Most of the same rightists, organized crime groups and aged soldiers in old uniforms who parade every year to mark the anniversary of Japan's World War II surrender declared again that Japan's aggression was just and then posed sternly like extras in a samurai drama for the curious and the throngs of photographers.

But the very ordinariness of one aspect of the ritual this year is what made it so unsettling to lences" to the families of the survivors. some Japanese. As usual, a handful of conserva-

time was at the heart of Japan's fanatical emper- where seven Class A war criminals are coshrined. go to the countryside and swap old clothes for

The problem is that those ministers, upholding the ambiguous status quo, are members of what Japan's new Socialist prime minister has insisted will be a "dovish" government committed to fundamental change.

The prime minister, Tomnichi Murayama, refused to visit the shrine and bad urged his cabi-oet, a coalition of conservatives and leftists, oot to go either. He told a gathering Mooday, which included the emperor, that Japan caused "tragic sacrifices beyond description" with its war-time aggression, and he offered "heartfelt condo-

Meanwhile, people like Ryutaro Hashimoto, tive cabinet ministers defied a high court ruling the conservative minister for international trade by openly worshiping at the shrine, which at one and industry, worshiped at the Yasukuni Shrine. ers so poor they packed open trains so they could change because it had grown so popular.

that Japan's war-time attacks, which took an refrigerators and toasters. estimated 20 million lives, actually aided Asians.

backdrop to what is expected to be a long period flections and dehates on Japan's responsibility year of modest change. for the war and whether it can finally break free from the emotional pull of those bleak years.

A day earlier, the minister for environmental sweet potatoes. Families are seen looking longaffairs had been forced to resign after declaring ingly at shops with unimaginable luxuries, like

The expectation that Japan was preparing to That confusing mix of events provided the use the oext year to move beyond its doubts was bolstered by the loss of power last summer by the of reflection. Monday marked the 49th anniver- Liberal Democrats, who had governed since sary of the end of the war, and already the 1955. A coalition promising to clean up political buildup to oext year's half-century mark has corruption and reform the cosseted economy produced a media frenzy of reminiscences, re- took office, then stumbled through a frustrating

In June, the Liberal Democrats stunned just om the emotional pull of those hleak years.

About everyone when they regained power hy joining a coalition with their ideological foes, the Japan so distant as to be unrecognizable. Photo- Socialists. The Liberal Democrats, Japan's most

Russians Fire on 2 Japanese Fishing Vessels and Seize One

MOSCOW -A Russian patrol vessel opened fire Monday with automatic weapons on two Japanese fishing boats near the Kuril Islands, wounding at least one Japanese crewman, offi-

cials said. It was believed to be the first time a Russian patrol ship had fired on Japanese fishing boats in said. the disputed waters.

There was no immediate comment from Ja-

Russian patrol ship No. 915 spotted the Japanese boats 13 kilometers (7 miles) inside Russian territorial waters, said Alexander Suvorov, a border guards spokesman in Moscow.

The incident occurred near Anuchin Island, part of the Kuril chain under Russian control

since the four southernmost islands were seized from Japan at the end of World War II.

The Russian ship sent a radio message and then spotlight signals demanding that the fishing boats stop, Russian officials said. When the boats refused, the Russian vessel fired warning shots into the air and then fired at the boats, they

- Russian guards boarded one of the Japanese vessels and found a crewman slightly wounded, Mr. Suvorov added. The Russians detained the crew and towed the boat into a nearby harbor. The other boat left the area, the Russian offi-

Russia has repeatedly warned Japan that it would take such action.

"Japanese boats were sailing straight ahead into our waters, impudently ignoring all com-mands to stop," Mr. Suvorov said. "I think that this incident will be a good lesson for the poachers."

The dispute over the Kuril Islands is the main obstacle to improved relations between Russia and Japan.

Mr. Suvorov said Russia was ready to sign an agreement on joint exploration of the area's fishing reserves, but the Japanese have refused.

Russian officials have said that Japanese fishing boats enter Russian waters near the Kurils thousands of times every year. The area yields about one-fourth of Russia's total catch.

Since March, Russia has increased patrols.

Japanese boats have committed 12 violations in the area this month, always with two or more boats entering Russian waters together, said Lieutenant Vitali Sedykh, the commander of the Pacific Border Guards.

In the last three days, Russian vessels fired warning shots three times, but that did not stop the violations, he said. "It was a forced measure, taken after all other options have been exhaust-ed," General Sedykh said of the shooting. "From

oow on, we will act like that." Japan demands that what it calls the Northern Territories be given back and refuses in the meantime to sign a formal peace treaty. The issue has stalled Japanese aid and wide-scale economic cooperation.



By Tim Golden New York Times Service MEXICO CITY -- As ever, tions may be largely true.

Somewhat like Mikhail S. be hurries around the country, snipping ribbons on new high

Mexico Leader Calls

For Honest Election

ways, forgiving farm loans to peasants, preaching a gospel of Mexican change. But in the twi-light of his power, President Carlos Salinas de Gortari has a Having sought for most of his administration to hold back pressure for greater democracy,

in order to carry out sweeping economie changes without jeopardizing his party's 65-year hold on power, President Sali-nas is now embracing demands for political reform. With the approach of elec-

tions next Sunday, he has called on officials to refrain from the sort of fraud that stained his own presidency, pressed for more impartiality from the television networks that have often been his propagandists, and made peace with some of his bitter critics.

Perhaps most important, he has repeated again and again that he will observe a basic democratic mandate that has gone untested in Mexico since his Institutional Revolutionary Party, the PRI, was formed in 1929: Mr. Salinas, who is barred from re-election under the constitution, says he will turn over power to whoever wins a fair vote regardless of the

party the victor represents. "I am very attentive to the complaints of the opposition parties about irregularities they detect," he said in an interview. "I am speaking personally and directly to the governors to make sure that the message gots

through that — bow do you say it? — we mean business." Whether Mr. Salinas is trying to rise to an extraordinary political occasion or belatedly ac-

A STATE OF THE STA

cepting what he can no longer resist is a subject of intense de-bate here. Yet both proposi-

Gorbachev, the former Soviet leader who, he believes, compromised the restructuring of his own revolutionary society with an immoderate political opening, Mr. Salinas has found himself overtaken this year by forces he encouraged both de-

liberately and inadvertently.

At age 46, he is also fighting to protect his legacy as one of Mexico's most important modemizers, and to preserve his

chances for a good job.

The Mexican leader is among the favorites to lead the new World Trade Organization when it formally supplants the General Agreement on Tariffs and Trade in Geneva next year. Officials of the Clinton ad-

ministration and some other key foreign governments say they are enthusiastic about Mr. Salmas, but would be hard pressed to support him for the post if Mexico's election is marred by fraud.

"He has realized that he will sink or swim with the election, that other things have not worked out and now he genuincly wants to fix it - in a good said Jorge G. Castaneda, a Mexican writer who is among the usually harsh Salinas critics with whom the president has repaired relations.

Mr. Salinas argued in the in-terview that more significant than the timing of the latest reforms was the fact that they had been approved at all. The changes include the penalization of electoral crimes, the acceptance of foreign election observers and the removal of electoral authorities from the government's de facto control

The important thing is that we did them," he said.

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Herald Cribune

A Start With North Korea

Nuclear diplomacy between the Unit-ed States and North Korea made promising gains in an accord reached on Friday in Geneva. The agreement not only assures that a temporary freeze in the North's nuclear program will remain in place until talks resume in September, it also sketches a road map to a lasting solution. It will take more hard work by negotiators to work out the details and leave Korea nuclear-free. But the agreement is an encouraging sign that North Korea is putting the brakes on its nuclear

program even under its new leadership. For two years, international inspectors verify, Pyongyang has kept its pledge not to reprocess spent nuclear fuel and ex-tract plutonium for use in bombs. Now it has gone further. The objects of immediate concern in Washington were the \$.000 spent fuel rods that the North provocatively removed from its reactor in May. The rods are starting to corrode in the cooling ponds where they are stored. The North will now arrange to put them in dry storage under international inspection. That postpones the need to reprocess them and allows more time to consummate an agreement that would prevent them from ever

being used for bomb-making.
Such an agreement may well be fore-shadowed by Friday's accord. The North pledged not to refuel the reactor for now, preventing more spent fuel from being generated. It will also halt construction of two larger reactors capable of expanding its output of spent fuel and seal its facility for reprocessing that fuel. These steps, the North has agreed, will all be verifiable by international inspection.

In return, the United States agreed to

end the North's diplomatic and economic isolation. The two sides will exchange liaison offices, a first step toward U.S.

diplomatic recognition of North Korea. South Korea's president has now confirmed his promise to build light-water reactors, with Japanese financing, to re-place the North's graphite models. These reactors are less liable to be used to generate plutonium usable in bombs than are current reactors. The United States will help meet the North's electricity needs while its reactors are being replaced.

The North has not yel agreed to give up the 8,000 spent fuel rods removed from its reactor at Yongbyon or to forgo refueling its reactor forever. Nor has it allowed special inspections to determine how much spent fuel it may have diverted in 1989. But the North did pledge to remain a party to the Nuclear Nonproliferation Treaty and allow full access to all its nuclear sites as part of a final resolution. That is the key to eventually unlocking its nuclear past. In return, the United ates would offer security assurances, including a pledge not to redeploy nuclear arms to South Korea.

The new government in North Korea has defied the pessimists by beginning to turn the temporary freeze of its nuclear program into a permanent one. The promising accord is a rebuff to those in Washington and Seoul who were prepared to undermine the new regime in Pyongyang and risk bringing the nuclear crisis to a boil. It brings credit to the Clinton administration, which had the courage to reject such hawkish counsel

-THE NEW YORK TIMES.

Do Better by Taiwan

In May, the president of Taiwan, on his way to Central America, touched down in Hawaii, where he hoped to spend the night. American authorities refused to let him off the plane. They were anxious not to offend the other China, the Communist regime in Beijing. It is an absurd and demeaning posture, becoming more so as relations change and develop between the two Chinas themselves.

The Clinton administration says it is working on a broad review of China policy. To hasten it along, the Senate has, three times this summer, attached to money bills riders that would require the government to issue visas to Taiwanese officials; on one recent occasion the vote was 94 to 0. The State Department has been hard at work to persuade the House to take these riders out as fast as the Senate puts them in. This effort is misdirected. It is inappropriate to allow the People's Republic of China, meaning Beijing, to exercise a veto over the United States' relations with other governments.

The United States is in danger of protecting the tradition of keeping Taiwan at arm's length more rigidly than Beijing itself does. In recent years, relations between the mainland and the island have been growing steadily. A senior official from Beijing has now visited Taiwan to negotiate agreements on repatriation of

fishing rights. He termed this success, correctly, "a major breakthrough." The People's Republic is prepared to deal openly and directly with Taiwan on the daily routine business of governments — but the United States continues to refuse to let Taiwanese officials set foot on American soil to discuss business of importance to both governments.

Why? It is not because America has no interests there. Taiwan, with its 20 million people, is almost twice as big a market for American exports as the People's Republic with 1.2 billion. Fifteen years ago, when the United States adopted its present policy toward Taiwan, it did so for reasons of political expediency: to solidify its relationship with the mainland. Two developments have made that arrangement, never one of which the United States could exactly be proud,

outmoded and ripe for change. One is that Taiwan has traveled a long way up the road toward genuine democracy, so that it is a quite different place. The other is that communications and relations between Taiwan and the mainland government that the United States was seeking to appease have dramatically changed, Those are differences that Americans should not continue to ignore. The current review of the administration's attitudes toward Taiwan is long overdue.

Health Care Maneuvers

The health care bill introduced in the House of Representatives by a bipartisan group of conservative Democrats and moderate Republicans is a disappointment. It falls far short of universal coverage and goes only partway toward creating competitive bealth care markets that might control costs. The bill offered by the majority leader, Richard Gephardt, the only other bill that has a chance to pass, is also badly designed: it could eventually destroy private insurance and put everyone's bealth care under a Medicare-like program subject to the whims of congressional committees. Yet under rules of debate that the leadership is on the verge of adopting it would be extremely

difficult to make either bill better. Under the proposed "King of the Hill" procedure, health bills will be voted upon in pre-set order, with Mr. Gephardt's leadership bill apt to go last. Several bills might pass or all of them might fail. But of those approved, whichever passes last will be declared the victor - even if a bill passed earlier had more "yes" votes. Worse still, no bill could be amended, unless the sponsors endorsed the amendment. This procedure makes it likely that the House will pass either no bill or a defective bill whose worst features cannot be changed.

To avoid that fate, the leadership needs to adopt rules that would allow members to amend bills so that debate in the House matches the constructive process now taking place in the Senate.

The bipartisan group started with a bill written by Jim Cooper, Democrat of Tennessee, and made it significantly worse.

Republicans extracted heavy concessions because they knew that Mr. Cooper was unwilling to jump ship to join forces with Mr. Gephardt. The bipartisan bill does not fix the Cooper bill's major flaw -its lack of an employer mandate or any other

way to move to universal coverage.

The bill waters down Mr. Cooper's market reforms: for example, it elimi-nates his proposed tax on high-cost poli-cies, an essential feature of a bill that purports to use market forces to control costs. And it climinates tax increases. even one on tobacco, so that it generates little money to provide subsidies to the poor. In part that is why the bill would leave more than 20 million uninsured.

Still, the group left intact some of the good features of the Cooper bill. The bipartisan bill would, for example, require employers who decide to help pay their workers' premiums to give all workers the same amount instead of spending more to subsidize workers who choose expensive policies. The bill would also eventually require states to set up purchasing cooperatives wherever private parties do not create one. Cooperatives are the key to driving hard bargains with

health plans to keep costs down. So far, fortunately, neither bill has nearly enough votes to pass. A possible way out is to combine the best of both bills, then go further by improving the market reforms. But before the House can begin to create an acceptable bill, members need the freedom to amend the bills that their leaders will put before them.

- THE NEW YORK TIMES.



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WASHINGTON — By the end of 1996, Secretary of State Warren Christopher said, it is "entirely possible" that Israel will be at peace with all its neighbors. "It would have seemed vision-

ary," he said, "but not at the pace at which things are going."

In a conversation in his office, the secretary was strikingly upbeat on the possibility of peace between Israel and Syria, for a generation the bitterest of enemies. On a Middle East tour from which he had just returned, he again shuttled between Jerusalem and Damascus, Israeli Prime Minister Yitzhak Rabin and Syrian President Hafez Assad. "I think they both want peace," Mr. Christopher said. "And a warm peace:

trade, tourism ...
"In Assad and Rabin you have the two toughest and most experienced negotiators in the Middle East. It's an existential thing for both, so they are

very careful in examining things. "Assad does that out loud: for live hours in my last visit with him. "What does Rabin mean by this?' Sometimes I don't know, and I say I'll have to ask.

By Anthony Lewis

"Up to this last trip there was a psychological barrier. I believe they've broken through, discussing the concrete elements — the nature of peace, withdrawal, security. They're all intertwined, and the parties have different views on how they should fit together.

There are still big gaps."
That description of what is happening. especially the scene with Mr. Assad makes one thing clear about the onrushing peace process. The American role is ential, and Mr. Christopher has taken

on that responsibility himself.

Critics of President Bill Clinton's foreign policy have made Mr. Christopher a target. I have been critical of such things as the policy on Bosnia. But Mr. Christopher brings to the Middle East the qualities that made him such a superb negotiator in the Iran hostage crisis: first-rate legal skills, patience, commitment.

As an example of the crucial American role in the region, the secretary mentioned an arrangement that he bro-kered last year to stop rocket attacks on

northern Israel from Hezboliah forces in Lebanon. In return for a halt, Israel agreed not to attack beyond its security zone in southern Lebanon.

As Mr. Christopher was on his way to the Middle East just now, an Israeli pilot in error hit a civilian target and killed 10 people. Israel apologized, but Hezboliah launched three waves of rockets. Mr. Christopher appealed to the Syrians to help stop what threatened

to derail the negotiations.

The Syrians "said they would make a maximum effort," Mr. Christopher said. "They obviously have some capacity to influence Hezboliah—how great I'm not sure." The rocket attacks stopped.

A Syrian-Israeli deal, if it comes, would have to overcome much internal resistance: Syrians reluctant to accept Israel, Israelis reluctant to give up the Golan Heights. "Assad thinks it will take a lot of preparation," Mr. Christopher said. "They've been through so much condi-

tioning the other way. But in time ..."
Mr. Assad has evidently started that
preparation. Syrian television and newspapers played up the peace ceremony between Prime Minister Rabin and King

Helping to Etch a New Landscape in the Middle East Hussein of Jordan — a remarkable shift

in Syrian practice.
On the Palestinians, Mr. Christopher said he was urging countries that had pledged aid to start projects in Gaza immediately, and at the same time urging on PLO Chairman Yasser Arafat the

financial "accountability and transparency" that donors expect. Democracy and human rights are growing concerns among Palestinians. Mr. Arafat troubled many by closing the newspaper An Nahar for being "pro-Jordanian" — and then by banning a widely respected columnist, Daoud Kuttab, for signing a petition against the closing. Mr. Christopher said he raised the question of press freedom with Mr. Arafat.

Then there is the question of elections

Then there is the question of elections in the West Bank and Gaza. Mr. Christopher said: That will be an area where Mr. Arafat will require constant urging. to respond to the thirst for representation

among the Palestinians." Over all, Mr. Christopher said, "The Middle East landscape is being transformed Israelis are now accepted. The isolation is vanishing."

The New York Times.

At a Critical Moment, NATO Now Needs Another Heavy Mover

By Frederick Bonnart

BRUSSELS — The death on Saturday of NATO's secretary-general, Manfred Wörner, surprised no one. He had been suffering from cancer of the co-lon for more than two years, and his repeated forecasts of an invigorated return to duty in September were believed only officially. But his disappearance at this critical moment for the alliance will pose unusual problems. Without the threat of a mass

attack on Western Europe, NA-TO's basic raison d'être of a military force as a permanent West-ern security guarantee bas become increasingly difficult to justify. Yet with waning American interest in Europe and the prospect of a common European foreign and security policy vanishing over the horizon, the alliance is more essential than ever.

NATO has therefore been looking for a perceptible mission for some three years. It is now gradually emerging as that of a military arm of the international community in attempting to stem post-Cold War instability by providing multinational force elements for peacekeeping, peace-making and humanitarian tasks.

Such multinational elements TO's deterrent doctrines, he was must necessarily include forces from nonmember countries. NA-TO's primary internal objective into acceptable partners. therefore is to adapt its structure for such duties while, externally,

ners. At the same time, it must maintain the cohesion of its present membership, which is the basis of its strength.

That is the military rationale of the Partnership for Peace program. Without becoming full members, cooperating countries establish formal links by means of which their armed forces will

establishing links with likely part-

be able to familiarize themselves with NATO procedures and organizations, harmonize their own new military structures and thus make it possible to adapt them for joint work. This constitutes a mammoth task.
In all this, Manfred Wörner was

a prime mover. The first two years after he took over from Lord Car-rington in July 1988 seemed routine and undistinguished. His chance came with the end of the Cold War. Having long been a conventional supporter of NA- unusually large. The strongest

quick to sense the new climate and the need to turn former enemies

He followed up all possible initiatives toward increased contacts and set in motion a number of them. He helped to maintain the momentum for this task among member nations and was listened to with respect. A large part of NATO's international staff has been converted from planning for general war to establishing and increasing contacts with the new partner countries.

Much will therefore depend on Mr. Worner's successor. The choice is not easy at present, al-though it is limited by certain automatic inhibitions: the United States has both of the major mili-tary commander-in-chief posts, France and Spain do not participate in the integrated military structure, Greece and Turkey mutually disqualify each other, Iceland has no armed forces, and Luxembourg has only tiny ones.

Naturally, no candidates have been presented, but the field is contender appears to be the outgoing Dutch prime minister, Roud Lubbers, who narrowly missed the presidency of the Eu-

ropean Commission.

The prospect before the selected candidate is daunting. In the present uncertain international climate, the need for a security anebor is evident. However, NATO is criticized for the failure to stem the Yugoslav fiasco, the lack of enthusiasm for active intervention in any crisis further east, and its apparent irrelevance

to the African tragedies.

The responsibility for such failures does not lie with the organization. What is lacking is the will to deal with such crises, and for this the blame lies squarely on the shoulders of the governments of the countries able to do so. Britain, France, Germany and, most of all, the United States have the resources and the ability to make the international community cope with such crises. But none of them seems to possess leaders with the vision and ability to convince their population of the need.

It is clear that any major international action must in the future be carried out by the United Na-

tions. But it is equally clear that the United Nations has neither the means nor the organization to do so. A restructured NATO, combined with its cooperation partners (in particular Russia), could serve the United Nations to

aniil:

achieve vastly better results. NATO has sufficient organizational flexibility for such arrange-ments, but all operations would have to be genuinely international. Member countries would therefore have to accept command systems for their forces under non-NATO chiefs, who could, for instance, also be Russian. This decision would require considerable resolution and determination.

A NATO secretary-general cannot engender such resolution. But he can help by exposing the problem, clarifying the options and en-couraging heads of governments to shoulder the burden.

Furthermore, his message must penetrate to the parliaments and populations of member and partner countries, so that difficult decisions are generally understood and accepted. This will be the greatest challenge for Mr. Worner's successor.

International Herald Tribune.

High Stakes in India: Economic Reform With Democracy

WASHINGTON — U.S. of-ficials sometimes play down the significance of India and adopt a dismissive attitude to its raucous parliamentary behavior. But precisely because india has a functioning democra-cy, it makes at least as much difference if Indian reforms su ceed as it does in China. India matters, and the West cannot

afford to ignore it. India has embraced economic reform. With its population of 900 million, it is the world's second largest market. With a middle class of some 250 million and an economy that is being deregulated and opened to the outside world, there is much to attract the foreign investor and trader.

Like the once closed countries of Eastern Europe and unlike China, India offers skills and markets that are more attuned to the practices of the West. Indians only have chips on their By Shekhar Gupta and Gerald Segal

Chinese have boulders. India also matters in strategic and military terms, for it is a arms control and confidence subcontinent of relative stability in an unstable arc from the Arab

orld through Central Asia. Many once thought that India would tear itself apart with sepa-ratist movements. Yet the pluralist politics of the unified state still hold. Even in the unlikely event that the disputed territory of Kashmir were lost, India would probably remain intact. It is its neighbors that are most likely to be ripped apart by religious and ethnic tensions.

The West has a major stake in seeing that India remains a force for stability. A sensible India can help calm Pakistan, make cooler beads prevail in Central Asia, case Southeast Asian fears about Indian naval expansion

shoulders about the West, where into the region, and limit Chinese ambitions in the Indian Ocean. An India that negotiates building agreements with Paki-stan and China helps teach those

countries the virtues of compro-

mise and mature foreign policy.

However, the most important stake the West has in a reforming India is in the political and ideological realm. India is attempting something more com-plex than what is being tried in Eastern Europe and China. It is changing its economy with an already existing democracy. For those in the West who tell East Asia and Eastern Europe that democracy is needed to sustain economic reform in the long term, it is imperative that India not fail and prove the propo-

nents of democracy wrong. India is already undergoing

the trials of economic reform in a climate of democratic politics. There are unscrupulous opposition politicians who change policies just for the sake of opposing the government. Some equally cynical self-seeking politicians in the ruling Congress Party have built fortunes from a controlled economy and are now worried that their network of patronage is being unraveled by reform. And there are trade unionists who see reform as a threat to job security.

Economic reform in a demo-cratic developing state requires different policy responses from the West and international institutions. The challenge is to undermine blockades to reform in the opposition, the bureaucracy, the trade unions and other vested interests. The West must. think far more in terms of incentives and much less in terms of sanctions and penalties.

This is not to say that inter-national lending institutions should abandon their program to liberalize the Indian economy - far from it. But the means of achieving the goal will have to help the government over-come the unholy coalition of anti-reform forces.

India is moving in the right direction. Now is the time to help the groups most interested in opening its economy to per-suade their compatriots that they have much to gain from joining the international economie community. The stakes are high - a triumph for both prosperity and democracy.

Mr. Gupta is the senior editor of the formightly magazine India Today. Mr. Segal is a senior fel-low at the International Institute for Strategic Studies in London. They contributed this comment to the International Herald Tribune.

The Time Has Come to Demilitarize America's Research Funding

WASHINGTON — For half a century, science and technology at America's elite universi-

ties have had a powerful ally in the Pentagon. Starting in World War II, then via the Cold War, the military has pumped hundreds of billions of research dollars into institutions such as the Massachusetts Institute of Technology, Har-vard, Stanford, Berkeley, Cal Tech and Carnegie-Mellon.

Although the Pentagon spends a lot of money developing weap-ons, most of these research dollars have not been tied explicitly to military projects. They have funded basic research in areas of science and technology that Pentagon scientists hoped would

eventually yield military payoffs.
According to the National Science Foundation, the Pentagon pays for an astonishing 80 percent of government-sponsored research in electrical engineering, 77 percent in materials sciences, 54 percent in computer sciences. Much of this money comes in the form of research grants and contracts that include funding for research assistants and postdoctoral fellows - the next generation of scientists and

with the Cold War over, the Pentagon budget shrinking and other budget categories limited by deficit reduction, this reliable flow of funds is suddenly under assault. The Clinton administration, with both a president and a vice president strongly committed to science and technology leadership, has sought to exempt university research from defense funding cuts.

But in June the House Appropriations Committee voted to cut By Robert Kuttner

Pentagon research funding to universities by a stunning 62 per-cent. The committee took \$900 million from the administration's \$1.47 billion budget request, and the full House concurred. Last week, after heavy lobby-

ing by universities, the Senate Appropriations Committee voted to restore all but \$81 million of the cut. The full Senate is expected to go along, setting the stage for a battle in House-Senate conference.

The House pursued the deeper cut partly for budgetary reasons but also because of a feud between the Pennsylvania Democrat John P. Murtha, chairman of the House subcommittee responsible for defense appropriations, and the California Democrat George E. Brown Jr., who heads the House Science, Space

and Technology Committee. Representative Brown favors research allocated according to a "peer-review" process. Repre-sentative Murtha prefers con-gressional earmarking, which treats the research appropriations as pork barrel.

ln fiscal year 1993, Mr. Mnrtha got Congress to earmark \$38 million in military projects for universities in or near his district, including Mount Aloysius College, Saint Francis College and Penn State. Congressional sources say the deep cut was Mr. Murtha's retribution for Mr. Brown's attacks on earmarking.

But even if this proposed cut is partly restored, higher education can no longer count on reliable research funding as a by-product of the Cold War. Federally funded university research is under attack from other quarters as well. During the Cold War, government research agencies allowed universities and other contractors generous allowances for "overhead" beyond the amount of actual grants.

Overhead sometimes nearly equaled the amount of the grant itself. For example, if MIT got a \$10 million contract to study composite materials, it could tack on, say, another \$5 million on the premise that the research project cost the university money for light, heat, administrative salaries and miscellaneous costs. The Pentagon went along with this delicate fiction because it knew that a strong university base in science and engineering was useful to the nation's longterm lead in defense.

But with the end of the Cold War and the beginning of the fiscal squeeze, the Office of Management and Budget has twice tightened its regulations, cracking down on what universities can elaim as overhead. This makes sense to green-eyeshade types, but it overlooks the broader tacit purpose of generous overhead as disguised general support to technical education.

Of course, it would be better for Congress to decide forthrightly that university research is worth supporting for its own sake, not just for a defense mission that no longer exists. As part of the conversion from a Cold War footing, Congress should logically increase nonmilitary research support. But that does not seem to be in the cards.

Although nonmilitary funding for science and technology is in-creasing modestly, such funding for universities is not. Indeed, the Commerce Department's new Advanced Technology Program, a flagship post-Cold War program, funds private corporations; universities are explicitly prohib-

ited from applying. Other federal research support is basically flat. Because of the deep national bias against government involvement in the private economy, a lot of good things were done in the past half-century only be-cause they could invoke the mag-

ic words "national defense." For instance, Dwight Eisenhower was able to sell a conservative Congress on the biggest public works program ever because he could call it the "National Defense Highway Act." (It turned out that the interstate roads could accommodate ordinary

motorists as well as tanks.)
With the Cold War behind it, America bad better acknowledge a civilian rationale for needed federal research outlays or it will lose a lot of national benefits that it once cloaked in khaki. Washington Post Writers Group.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: To the Guillotine

PARIS - By the time the Herald reaches its readers this morning [Aug. 16], Casserio will have paid all he could of the immense debt he owed to society as the mur-derer of President Carnot. It appears from a special despatch from Lyons to the Figaro that the condemned man has weakened considerably during the last few days, and has, to some extent refrained from striking that attitude of arrogance which has characterised his demeanor

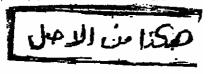
since he committed his crime. 1919: Irish Suppression

LONDON — The Government's proclamation issued last night [Aug. 14] from Dublin Castle sup-pressing Sinn Fein and kindred organizations in County Clare seems to have brought the whole Irish problem to a head. The de-

cision was taken owing to the recent increase and character of the crimes committed by Sinn Feiners in County Clare and the renewal of outrages in further-ance of the Sinn Feiners' avowed policy to overthrow constitutional government in Ireland.

1944: The Fourth Front

ROME — [From our New York edition:] Thousands of American. French and British troops, forming a fourth front against Adolf Hitler's withering strength, drove northward through southern France tonight [Aug. 15] after a sea and air-borne invasion early this morning against light opposition along the last opposition and the last opposition along the last oppo tion along the 125-mile strip of the Mediterranean coast between Marseille and Nice. The exact locations of the Allied landings was not revealed. The Germans said the focal point of the landings was near St. Raphael.



OPINION

Hurrying Health Care To Cut the Voters Out

By William Safire

of delaying crime and health lodestar; meanwhile, Bob Dole bills to make President Bill is having fits because the rene-Clinton look bad. But the truth gade Republicans refuse to is that Democrats are rushing to consider the conservative aljudgment to avoid having to ternative. That signals a heed the voice of the people in Mitchell-Chafee setup. an election only 12 weeks away.

of passage because it has been To prevent this deal, Mr. presented as a "tough" mea- Chafee's Republican colsure, with prison-building, leagues are telling him: "If we death-penalty, and cop-subsidy can prove how bad this Mitch-elements emphasized, while its ell bill is in debate and stop it, "soft" root-casuistry — multi- we will take control of the Senbillion dollar social spending on ate and offer health insurance midnight basketball — has reform in the spring."
been downplayed. The bill exemplifies heavy-spending con- Chafee cannot ram their mainservatism, an oxymoron hard to streamliner through the Senate beat. The health care push, on in a week or so, the House may the contrary, is now seen by go home to campaign. Demoto Great Societyism.

crei, to concoct a government. takeover of a seventh of the American economy, financed by cigarette smoke and mirrors. Eighteen months later, with her grandiose scheme widely derid-ed and the public calling for sober second thought, her gurus have gone underground and not even her husband espouses the misbegotten "Clinton plan." ...

jettisoning baggage to stay formed that as frontline workafloat in Congress. Democrats ers for refugees, we, the staff of in the House are waiting to see how many bags of taxes and Refugees (UNHCR), marched coercive controls the Senate out in Geneva and demonstratwill toss overboard.

come everything. Never mind waiting for the Congressional Budget Office to cost out the of uprooted human beings in latest bills; forget about serious many parts of the world. debate of a Republican alterna-tive, the sensible Dole-Packwood insurance reform.

Mr. Mitchell believes the Dem- frustration at political leaders ocrats will lose three or four, and at the apparent unwilling-Senate seats in November. He ness or inability of governments . must ger that legislation into to respond in an effective and harbor before the liberal ship coherent manner to the spiraling sinks, an event scheduled for staughter of civilians and aid Election Day. Massive change must be irreversible before the anticipated reverses.

His own bill, with its cmployer mandate and 1.75 percent tax on everybody's health insurance premium, is not intended to be passed. Despite teered to go and serve in the White House blather about thus-far-no-further, Mr. Mitchell's first fallback position was launched as a bill to set day's salary as a symbolic gesup a compromise with a group beaded by Republican Senator John Chafee of Rhode Island.

Mr. Chafce has been placed at the head of a bipartisan group that has labeled itself mainstream," not so subtly.

WASHINGTON — Demo- ist. Ominously, he is using Mr. crats accuse Republicans Mitchell's liberal bill as his Beware the likely deal: Mr.

The crime bill, temporarily Chafee's many group comes up stymied by the gun lobby, is far with a modified Mitchell bill, from dead. That is not merely giving the Democrats enough because a president and a major- votes to invoke cloture on any ity leadership can use poissant filibuster. Then the House patronage—and a reprise of last year's "Don't kill my young presidency"—to snatch back ferces back to the left, which the votes of enough of the 58 mr. Charton would sign in the recalcitrant House Democrats to save the party from gridhockjaw. More to the political point, the crime bill has a good chance of passage because it has been fillibuster. Then the House would pass a Clintonite bill, which the votes of enough of the 58 mr. Charton would sign in the recalcitrant House Democrats to save the party from gridhockjaw. (Or, if Mr. Chartee's fixes are minor enough, the House would the crime bill has a good chance of pass as the liberal Senate bill.)

If Mr. Mitchell and Mr. Hillary Clinton anomated explains their rush to health come of the most far-reaching help Democrats avert losses in ers to the punch. elite task forces, working in se-judgment. Republicans — even legislation since the New Deal. this fall's election. But their The New Yorking in the local control of the most far-reaching help Democrats avert losses in ers to the punch.



nonconservatives like Mr. Cha-

Democrats deny that the real reason for forcing congresvoters for what it is: a return cratic liberals fear that expres- fee - should want voters to have hurry is to make the president sional action on health care sion of the popular will. That a chance to influence the out- look leaderly, and thereby to is inescapable: to beat the vot-

Some Guys Play Ball for Fun

WASHINGTON — As I sit by David S. Broder here in the basement workroom on a Wednesday night, writing this column on my home computer, a Dodgers-Reds game is on the television, with the sound turned off. It is soothing to glance up and see the familiar rituals — Ray Knight flashing signs from the third base coach's box. Todd Worrell fussing with the resin bag - that I have seen other players and coaches perform over the decades since my father took me to my first game at

Wrigley Field in Chicago. It is hard to imagine that baseball may be over for the year, shut down by a players' strike that is the eighth such stoppage in the last 23 years.

The '80s were supposed to be the Decade of Greed, but bere

we are, almost halfway through the supposed sobering-up '90s, and baseball cannot figure out bow to divide the pie between owners and players without a strike. Major league revenues top \$1.8 billion. Players' salaries average over \$1 million. There are 28 teams and 700 players to split this fortune, and they can't work it out? Give me a break! When Donald Fehr and Rich-

ard Ravitch, representing the players and the owners, respectively, appeared on NBC-TV's "Meet the Press" on Aug. 7, they came across as smug, studied performers, adept at talking past each other. A few minutes later,

on CBS-TV's "Sunday Morning" show, a feature on the minor league St. Paul, Minnesota, Saints showed the other side of the picture — a third-generation owner with the storied name of Veeck sharing the joy of his tail-gating fans in the simple zest of being out at the ball game.

The contrast drove home the price that we Americans pay for

MEANWHILE

our high-pressure, high-dollar, top-level athletics. Television has made the audiences so immense, the incomes so enormous, that the simple enjoyment of the sport has become a perishable quality.

As you may bave gathered, I like sports, and watch a lot of games, in person and on the tube. This year it has struck me that the best times I had were at the least professional games.

Last fall, f saw the 100th revival of the Battle for the Monon Bell, a football rivalry between two neighboring central Indiana liberal arts colleges, Wabash and DePauw. The game was played on a mild but drizzly Saturday in Green-

Mr. Broder wrote this column on Aug. 10. The baseball strike began on Friday, Aug. 12

pedophilia) was adopted by the lower bouse of Australia's Par-

liament earlier this year and is

awaiting passage by the upper house." In fact, the bill referred

to was passed by both bouses of

In its desire to attack pedo-

hilia, the government drafted a

bill that put the normal rights of

an accused at serious risk. Fortu-

nately, the government was sensible enough to allow the hill to

go before one of Parliament's

legal and constitutional affairs

committees and to accept most

of the committee's recommen-

dations. That having been done,

Parliament on June 30.

castle, and almost everyone got to the stadium the old-fashioned way: They walked. You could huy a hot dog and soft drink, at noninflated prices,

right under the stands. At halftime, veterans of past battles - bulky guys with varying degrees of spryness -- came on the field from opposing sidelines, wearing their school col-ors. They shook hands and chatted with the guys they had once

opposed. Tradition, nostalgia, every good feeling overflowed. The other event came just a month ago, while I was visiting grandchildren in Connecti-cut. The New Haven Ravens were playing Binghamton, and three generations of Broders trooped off happily to see the game. As in Greencastle, access was easy, prices right and the crowd of about 6,000 enthusiastic in pounding the met-al flooring at the old Yale hall-park every time a Raven got a hit or made a good catch.

I am not sure we saw any future Ripkens or Griffeys or Keys, but we saw a home-team homer, several smoothly executed double plays and few mental gaffes or booted halls. Management had ingeniously provided some kind of giveaway or fan-participation contest at every half-inning break, so the entertainment never stopped. Daniel and Madeleine, who are a little young to appreciate all the nuances of the game, were much taken with Rally Raven, the bird-costumed mascot-cheerleader, and snacked their way contentedly

through the evening.
At neither of these occasions were there off-field tantrums, threats or controversies to cloud your enjoyment of the game. So far as I know, none of the players held out so long that be missed the start of training camp, as the Redskins' new \$19 million quarterback did. Nor was any of them dumped unceremoniously onto the free agent market after a marvelous career, as happened with the Redskins' Art Monk this year.

The whole pattern of today's professional sports — players switching teams every time they can get an extra million, teams switching cities every time they spot a richer television market turns off the fans. Maybe we'd be better off just amputating the top of the professional leagues — where salaries, revenues and egos all have inflated out of sight - and getting back to where both players and fans remember it's supposed to be fun.

The Washington Post.

LETTERS TO THE EDITOR

The Refugee Crisis

We thank you for your frontpage coverage of the magnitude of the world refugee crisis ("UN Swamped by a World Awash The ship of government With Refugees," Aug. 9). Perhealth care is now frantically haps the public should be in-For George Mitchell, the swan-singing Democratic leader in the Senate, timing has be ed in front of the Palais des ered political indifference to the untold misery and the carnage

That spontaneous move was the first time that United Nations staff took to the streets to The reason for his urgency: express their intense anger and workers. Two UNHCR staff members have been shot and killed in 1994 and 12 lost their

lives in 1993 in the line of duty. In the wake of the Rwandan tragedy, hundreds of UNHCR staff memebers have voluncrisis centers. Also, our colleagues from all over the world have decided to donate one ture of shared commitment to alleviate the misery of the

Rwandan refugees. We know that the fundamental questions raised in the article about the diminishing will of the international community to suggesting that conservative cope with the worsening world opposition to government-dominated medicine is extrem-

avoided in the future.

NASR ISHAK, Chairman of the Staff Council. UN High Commissioner for Refugees. Geneva.

Extreme Opinions

Regarding the report "After Killings, France Seizes 16 Algerians" (First edition, Aug 6.):

It is hardly consistent with France's honored libertarian traditions to rebuke govern-

bolic gestures. Concerted and States, Britain or Germany faces some sort of crisis be- "members of a diverse communeeded to address the root not they are entitled to exer- ercises his citizenship through causes, as is the provision of the cise the freedom of expression politics, necessary resources to UNHCR summed up in Article 19 of the You and other aid agencies so that

UN Universal Declaration of advocate of the U.S. constitusuch human suffering can be Human Rights: the right to tion than Pat Robertson. To seek, receive and impart opinions freely, without regard to national borders.

CATHERINE DRUCKER.

Deeply Held Beliefs

Regarding "From America's Own Ayatollahs, a Chilling Message" (Opinion, July 16) by Anthony Lewis:

gious broadcaster Pat Robert- liefs on anyone.

innovative action by govern-ments and political leaders is charged and tried. If they do ly held religious beliefs and ex-gic agenda: returning America

You will not find a stronger suggest that he is one of the leaders of the Christian right who want to "substitute their vision of a religious polity for the secular system of govern-ment" is absolutely absurd.

Pat Robertson strongly endorses the separation of church and state, but stands firm in his constitutional right to ex-press himself freely. He em-Message" (Opinion, July 16) by
Anthony Lewis:

The writer's attempt to distort the true beliefs of the relitory to the true beliefs of the relitory to the rel

to the cultural condition and social values of the immediate

postwar era."
For them "that means two-parent families, schools with authority, limited government, a culture not yet drenched in sex and violence." Mr. Krauthammer under-

stands the true intentions of the so-called Christian right. GENE KAPP, Vice President,

Public Relations. The Christian Broadcasting Network. Virginia Beach, Virginia.

Australia Took Action

The report "West Takes a ments which, in the name of freedom and democracy, refuse marginalize people of faith.

In this case, Mr. Lewis obviling The Washington Post that states that "one of the most sweeping proposals [to combat]

the opposition was pleased to support the aims of the legislation, and we hope it acts as an effective deterrent. AMANDA VANSTONE

Adelaide, Australia. Senator Vanstone holds the attorney general and minister for justice positions in the Liberal Party's shadow cabinet.

BOOKS

WHISPERS: The Voices of Paranoia

By Ronald K. Siegel. 310 pages. \$23. Crown.

Reviewed by David N. Neubauer

T is difficult to imagine the I mental life of someone with a mental disorder. This is true particularly when the person has psychotic symptoms and experiences distortions of reality. Paranoid individuals, for example, tend to view the outside world with a very narrow focus. They have a constant expectation that people will take advantage of them, and they are always looking for confirmation of this assumption. They scan their environment. They readily misinterpret meaningless coincidences as baving great significance. These misperceptions and misinterpretations can range from excessive suspiciousness to grand delu-sional schemes of conspiracy.

Abnormal mental experiences - perceptions, interpre-tations and subsequent behaviors - are the interest of Ronald K. Siegel, a UCLA research psychologist who has previously explored this territory in his books "Intoxication" with Property and and "Fire in the Brain." His new book, "Whispers: The Voices of Paranoia," is an acnating characters.

Siegel presents a brief history of theories related to paranoia and quickly moves on to de-he is not actually there with the Qe2. Black cannot continue scribing his own encounters author. scribing his own encounters author.

• Rolf Seelmann-Eggebert chief correspondent for NDR

it. I compare myself to Fontane in many ways, since I'm about to move to London as a correspondent and Fontane spent most of his life there.



ing lengths. These take him far

HE championship quarter-

He meets people at strange silverware and flowers in a restimes and places. He moves in taurant contains professions of "Whispers" is an intelligent with subjects for days at a time. love from a co-worker. There is He even subjects himself to hor- a chess enthusiast with an arrible physical and psychological mament of high-caliber and conditions in his attempt to martial-arts weapons strategisimulate the circumstances of cally rigged in and around his various crimes. With such ex- trailer. A frantic man has conperiments he is able to find vinced his family that tiny hugs within himself paranoid charac- have infested their skin. A teristics that extreme conditions might induce in any of us. the story of a movie on televi-

harassed by electromagnetic energy from a satellite targeted at that a radio device has been

woman confuses reality with Among Siegel's subjects are a sion and becomes terrified that physicist convinced he is being evil is invading her home.

In several cases it is clear that cocaine or another stimulant him, an elderly woman certain has played a major role in the development of the paranoia. implanted in a dental filling. The outcome of the paranoid and a young woman positive psychosis is relatively benign beyond the safety of his office. that the random placement of in a few of the cases; however, it

"Whispers" is an intelligent ence that should be of great interest to the professional, as well. The insights provided by Siegel's experiences will help anyone better imagine the mental life of the paranoid individnal. And if anyone wants convincing evidence for the potential dangers of cocaine and other stimulants, this book supplies it rather dramatically.

David N. Neubauer, who is on the faculty of the Department of Psychiatry and Behavioral Sciences at Johns Hopkins University Medical School, wrose this

For business women going places, here's the place to stop.

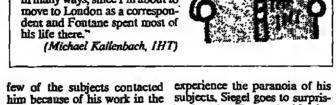


138 Sukhumvit Rd., Bangkok 10110, Thailand. Fax (662) 253-4259 Tel (662) 254-0404

The Landmark of London is the Royal Lancaster Hotel

television in Germany, is reading "Der Stechlin" (1899) by Theodor Fontane.
This is the 10th time I've read

(Michael Kallenbach, IHT)



area of abnormal mental experience. But in a majority of the cases the subjects were the defendants in criminal proceedings for which Siegel was serving as an expert witness. By Robert Byrne

egel does not offer simple clinical histories of his subjects. He is a skilled writer who effecrively takes us into the paranoid I final match between Boris world of each individual. Gulko and Nigel Short was or-Throughout the book, Siegel is ganized by the Professional telling us the story of his own Chess Association. involvement with his cases. It is a story that is always interest- Nc3 and 3 e5 against the Caro-

Reading "Whispers" is like prepares 5...Ngf6 without worreading about an exotic and rying about doubled pawns. To dangerous travel adventure. His work against an exchange of Voices of Parancia, is an account of his adventures while investigating the lives and mental experiences of several fascisubjects. The reader can enjoy bishop out, yet White would the thrilling tale from the com- have achieved slightly superior fort of his chair and be glad that development. After 6...e6 7

ing, often exciting, sometimes Kann Defense, giving his oppo-erotic and occasionally grue-nents no advance warning.

Qe6 Kg6 10 Bd3 Kh5 11 Qh3

8...Qd4? because 9 Nlf3 Qg4 Qa5 15 Bc5 gives Black three

In his quest to discover and 7...Be7? because of 8 Nf7! Kf7 9

Position after 26 . . . Bha

obtains powerful attacking chances) 10 Nf7! breaks up the On 7...Nb6 8 Bb3, Black cannot safely pluck a pawn with On 16 Bd4, Gulko prevented 17 Ne5 by 16...Ng4, But Short ...Bb4 10 c3 Bc3 11 Kfi! Qc5 countered sharply with 17 Nd2! Gulko retreated with 17...Nf6. 12 Be3 Qa5 13 be Qc3 14 Rel

CHESS

After 18 Khi 0-0 19 Bf6 gf, it nust have seemed to Gulko as though be was safe enough with his powerful king bishop to guard his splintered kingside, but Short soon showed that he could reveal hidden problems. After 20 Qg4 Kh7 21 Ne4, Gulko could oot play 21...Be5? because 22 Nf6! Bf6 23 Bc2 Kh8 24 Qe4 permits no defense to the threat of 25 Qh7 mate. After 26... Bh8, Gulko had

presumably reached the formation be had put his trust in, but it was just then that Short re-leased 27 Ng5! The sacrificed

pawns for a piece but White knight could not have let Short play 28 Nf6! Kg6 29 Qg5 mate.

> The only other attempt at defense, 27...Kg6, was also futile in view of 28 Rd3! f6 (28...Bb5 29 Rg3 Bf] 30 Ne4 Kh7 31 Nhf6 Bf6 32 Nf6 Kh8 33 Qh6 mate is no better) 29 Ne6 Be6 30 Be6 Qc5 31 Rg3 Kh7 32 Qh3. Gulko

CARO-KANN DEFENSE 14 dc 15 Be3 16 Bd4 17 Nd2 16 Kh1 19 Bf6 20 Qg4 21 Nf6 23 Qh4 24 Radi 25 Nh5 26 I4 27 Ng5

COUNTRIES ACCESS NUMBERS ACCESS NUMBERS ACCESS NUMBERS COUNTRIES COUNTRIES COUNTRIES CALLING ONE FOREIGN COUNTRY Portugel + Roments +Q Russia +Q Russia +Q Russia (Mescow) + San Mortne + Spetn Sweden + Switzerland + United Kingdom (Mer United Kingdom (BT) United Kingdom (BT) United Kingdom (BT) AFRICA Bernudo V British Viegin Isl, A Deminican Republ South Africa + AMERICAS Deminican Republicano Nethericando Annies St. Lucio A St. Lucio A St. Lucio A St. Lucio B 023-903-014 678-11-0014 00-800-1016 (80-900-01 172-1877 MIDDLE EAST \$001-0877 9800-1-0284 THESE SIMPLE ACCESS 1940087 0130-0013 008-001-411 009200-01-477 999-003 1-800-35-2001 00-800-1010 New - Bulgaria ▲ Iceland +11 999-003 356-4777 Egypt ÷π CARIBBEAN Sprint World CupUSA94 编

Frankenstein and Fries? Interactive Restaurants Loom

By Paula Span Washington Post Service

EW YORK - It's already possible, on 57th Street and its environs, to eat a burger while gazing at Dorothy's dress from "The Wizard of Oz," or while genuflecting before Jimi Hendrix's Fender Stratocaster, or while eyeing Elvis's 1957 Harley-David-son amid the sound of revving engines.

Come fall, however, it also will be possihie to eat a burger while Frankenstein's monster descends on a slab from the ceiling and framed portraits watch with moving eyes.

And by spring, in this same sector of Manhattan, the burger will come with a side of interactive video: Diners will electronically insert themselves into episodes of old sitcoms or sports championships, and watch the results on tableside screens.

A proliferation of theme restaurants and entertainment-oriented retailing is transforming several blocks of 57th Street and its intersecting avenues.

You have to have more to offer than just food on a plate," explains the restaurateur David Lederman, the David of David's Cookies. He and his brother — plus celeb investors such as the producer Steven Bochoo and the designer Nicole Miller — plan to open a 12,000-square-foot (1,100-square-meter) TV-themed eatery across

from Radio City Music Hall oext spring. Nearly all these enterprises either have outposts around the country and the globe or expect to begin cloning themselves soon. In fact, one of the husiness attrac-tions of this midtown corridor is its proven role as an incuhator.

"It's easier to get press and build fanfare if you have an opening right in the heart of the Theme Capital of America," says Jerry Kouveras, vice president of Eerie Entertain ment. Its five-story Jekyil & Hyde Club, with a horror-mystery motif and actors who play roles as opposed to waiting tables, is scheduled to open on Sixth Avenue just above 57th in October. "It's easier to launch vourself as an international corporation than if you launch at a mall on Long Island. We want that upscale image."

Theme restaurants have been around before. But the current crop is distinguished by massive size, an emphasis on merchandising (logo-bearing shirts, caps

and boxer shorts can account for 40 per-cent to 50 percent of gross sales, according to Nation's Restaurant News), and connections with pop culture.

The trailblazer was the Hard Rock Cafe, which opened oo 57th Street a decade ago. (The London and L. A. Hard Rocks preceded it.) The first Planet Hollywood opened virtually across 57th Street in late 1991. With their hundreds of seats, show biz decor, celebrity-heavy events and onsite retail stores, they set the patterns that

Both rely heavily on tourists and thus benefit from the thousands of hotel rooms within strolling distance. And both have metastasized: the current worldwide tally is 42 Hard Rock Cafes (including Reykja-vik and Kuala Lumpur) and 14 Planet Hollywoods (including Hong Koog), with no end in sight.

Two new entries joined the Street of Themes last fall. The Warner Bros. Studio tores found in suburban malls average 7,000 to 10,000 square feet. The one that opened at 57th and Fifth Avenue, with Van Cleef & Arpels on the opposite corner and Chanel and Hermes down the block,

It doesn't serve burgers, but it does sell Tweety Bird golf bags (for \$495), production cels from Warner Bros. cartoons (averaging \$350 to \$1,500) and an endless variety of T-shirts and appliqued baseball caps. It's full of video screens, quickly becoming de rigueur in such settings, and the Bat Jet descends every half-hour to battle with videotaped baddies.

"I guess I'm just a child that never grew up; I think it's great" was the thumbs-up from Netta Bloom, a dance teacher from Tel Aviv, who emerged the other day with a denim jacket featuring the whole Looney Tunes gang. "You need some fun in life."

Stores in operation by year-end, though most will lack a glass elevator whose ascent is propelled by the Man of Steel.

So far there is only one Harley-Davidson Café, a block below 57th Street, but its owner hopes to remedy that shortly. It can fit 400 diners and a number of historic motorcycles into its chrome-heavy "interactive environment," which has hosted a Baywatch" hathing suit contest and Howard Stern's book party (attended by his fans, the Buttafuocos).

"It's fun for the kids." said Barli Wakefield, a local who'd brought her 5-year-old son for the second time (and had just spent nine bucks for a photo of him atop a

occupies 30,000 square feet and attracts
20,000 shoppers a day.

There will be about a hundred Studio
Stores in operation by year-end, though
Stores in operation by year-end, though cles are fascinating

The Jekyli & Hyde Club's planned fall debut will be followed by Television City (though a suit by CBS, which claims to have trademarked that phrase, may force a change in nomenclature). Lederman, the restaurateur, can see it now: patrons ordering via TV screen, stars of "Leave It to Beaver" and "Gilligan's Island" greeting guests, fans morphing themselves into NBA stars on video and then going home with T-shirts depicting their one-on-one jousts with Michael Jordan. He's talking \$12 million to \$15 million in sales the first year and is negotiating for more locations a year before the first restaurant opens.

And Virtual Nightclubbing, Too

By Elizabeth Benedict New York Times Service

HIS winter, when you're up for a wild night on the town, you might slither through the second-story window of a nightcluh in the Sobo district of London packed with live groups, famous people, fashions shows, art exhibitions and a melange of offbeat videos.

It won't be necessary to call a travel agent, however, or even a cab. Just switch on a computer equipped with a CD-ROM drive or a TV with a CD player and slip into the world's first nightclub on a disk.

Called "The Virtual Nightclub," it will offer a kaleidoscopic swath of London night life in high-resolution computer graphics.

"The Virtual Nightclub' is somewhere between MTV and a video game," says James Plummer, director of Prospect Man-

working to create a product that combines the newest interactive technology with the cutting-edge techno and ambient sounds. that dominate London's club scene.

Musicians will include the Shamen, Aphex Twin, Mixmaster Morris and Durga McBroom — British electronie artists little known in the United States but whose appeal the creators hope will catch on, the way an earlier generation caught on to the Bea-

tles and the Rolling Stones.
"The Virtual Nightclub," adds Plummer,
'is a new promotional space for the latest music, but it's also a state of mind, a sensibility arruned to this new inner world that computers make possible for people to ex-

perience without taking drugs."

Whatever it is, the interactive element allows viewers to use a mouse to navigate their way around as they choose. They begin

agement, whose graphic designers and former video-games programmers have been with a camcorder), then click-walk around the corner into the club's vast, cartoonlike 3-

Clicking on bright blue floor space will

take them to the art gallery, mixing room or chill-out room, where people recover after a frantically paced night on the dance floor. Clicking on a painting hanging in the gallery can transform it instantly into a quick-time video of Jimi Hendrix in concert.

If "The Virtual Nightcluh" io London catches on, Plummer and his colleagues have ambitions to create clubs based on other cities, with New York and Tokyo topping the list.

For now, though, "The Virtual Night-chib" exists only on demonstration disks. The prototype is on a European tour to pick up sponsors and fairs on big screens at electronic arts festivals.

AUGUST 22-27 THE LIBERATION OF PARIS

Following the success of the Normandy landings in early June 1944, Allied troops continued fighting throughout the summer across the north of France, finally reaching the outskirts of Paris.

In the last days of August, as the Allies approached the city, the unarmed population of Paris - reinforced by a small number of armed resistance fighters - rose against the occupying German forces. In four days of street battles and general insurrection, Paris was liberated.

To commemorate these dramatic days, we will reproduce the six front pages from the New York Herald Tribune chronicling the week of August 22 through 27.

Events covered in that same extraordinary week include the liberation of Marseille, Grenoble, Le Havre and Rouen, plus an exclusive report following the liberation of Florence. You'll follow the reports day-by-day from the Herald Tribune's award-winning team of war correspondents.

Don't miss the International Herald Tribune's special commemorative series starting Monday, August 22nd.





Scouting Out the Family History in Italy

By Susan Lumsden

teresting to be Italian, says Count Luigi Guelphi Camaiani, owner of lt- than a 1,000 years later that aly's largest private heraldic surnames began to be used in

and genealogical library.
While there has always been a certain interest in genealogy here, 85 percent of our inquiries

of one of Italy's oldest families.
They include the governor of New York state, Mario Cuomo, who also ordered a painting of the Cuomo family crest, says Camaiani. The Cuomo family near Naples had several distinguished members in the 18th century, according to Ca-

maiani. 15th-century Palazzo Guelphi names of their cities, said Ca-Camaini on the Via Santo Spir-miani. The Guelphi Camaiani ito have been the actor Sylves-Martin Scorsese.

Generally, the older and Borgo San Sepulcro in 1030.
more established the family, the Fausting Carnaigni the Is more the name is related to place. Most names, though, are taken from the father, like Giovannini (Johnson). Others come from the trade like Fabbri

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Stallooe obviously had something to do with horses, says LORENCE — Suddenly, ahroad, it's in-denly, ahroad, it's in-the Romans, like Caius Julius Caesar, used several names, it wasn't until the Venetians more

Family trees dido't begin un-til the 11th century, says Camaiani, hecause surnames now come from Italian-Ameri- didn't exist before then. Siena cans, including South Americans, said Camaiani, 60, scion mal records about 1380. By the Council of Trent (1545-63) everybody in Italy had to be baptized, married and die with two names. After that, genealogy While most Christians took

from Castellammare di Stabia their fathers' oames, some adopted their oiekoames. Hence, Belli (the beautiful ones), Buooamiei (good friends) or Gambacorta (short Other seekers of roots in the leg). Jews usually adopted the had long since taken theirs from ter Stallone and the director the Pope's faction, the Gueiphs, who descended from Bavaria to

> Faustina Camaiani, the last of her line, married a Guelphi in 1652, thereby doubling the family name and fortune.

One thing Camiani cannot do is re-create a family. "Some people arrive here io tears searching in vain for their family," he said. "If they don't know the name of their father, their mother or their birthplace, it's impossible."

Successful callers are often antique dealers and museum curators indentifying old paintings and furniture from the heraldie crests of donors inscribed

NEW FALL COLLECTION ESCADA' In Paris

Also, Sales on Summer Collection Marie-Martine 8, rue de Sèvres,



Camaiani clan members, from left, Pier-Francesco, Count Luigi and Stefano.

Scognamiglio is a tongue twist-er, it is because the new president of the Italian Senate probably descends from a 17thcentury alliance of the Scogna, Cogna and Miglio families, says

Gianfranco Fini, leader of the neofascist National Alli-ance, can lay claim to the "fine" old Florentine and Ferrarese dynasty of poets and philoso-phers. The family crest of Umberto Bossi, leader of the populist Northern League, features a

charging bull.

Camaiani apologized for having nothing in the files for Silvio Berlusconi, the prime minister, nor for Irene Pivetti of the League, at 31 the youngest head of the Italian Chamber of an aristocratic past. Deputies.

the aristocratic study of coats and arms, he expanded into ge-oealogy, the study of family de-

A member of the International Genealogical Association, the library contains about 7,000 historical volumes and 5,000 files, including ones of families forced to leave the poorer south and Veneto region in search of a living. Tuscans have not migrated in any numbers, says Camaiani.

"A genealogical library is a detective agency in time," says Camaini, "and Italians are strong in genealogy. There's never been a revolution here. therefore no toppled statues, and worse, burned libraries of

"There's still a strong link to "Every family has a history, antiquity. The oldest families however simple," says Cadate from Charlemagne,

TO OUR READERS IN VIENNA AND IN SALZBURG

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The names of the new Italian political leaders provide something of an insight. If Carlo library in 1877. From heraldry, lasted until 1806 when Napolasted until 1806 when Napoleon forced the abdication of his new future father-in-law, the Habsburg emperor Franz

II. That's a long time." In 1987, Camaiani founded the Institute of the Holy Roman Empire to help pave the cultural way to a united Europe. Its 373 members are of nohle, and notable, families. Carl Gustav XVI of Sweden is a member of the honorary committee. Cardinal Josef Glemp of Poland is protector.

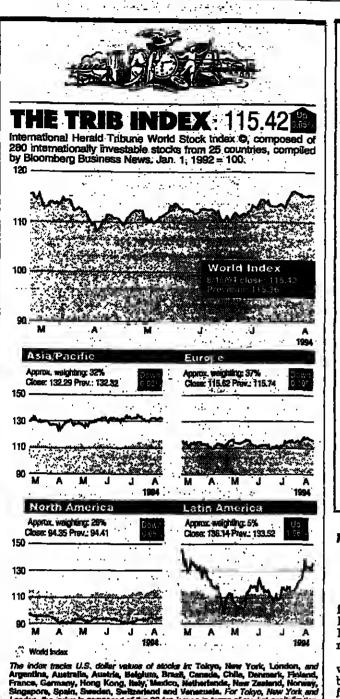
"There are principles that are neither progressive nor conservative but pertain to human nature. This united Europe can exist only with a united politic. Political unity depends on cultural unity. And culture begins at home, in the family." Ca-maiani cited Otto Habsburg. descendant of the imperial family and now an elected deputy. of the European Parliament.

Istituto Genealogieo Italiano, Via Santo Spirito 27. Floreocc 50125. Tel. 55-213090; fax 55-289643. Open Tuesday and Friday from 9 A. M. to noon.

Susan Lumsden writes about the arts from Florence.

Leal

International Herald Tribune, Tuesday, August 16, 1994



Clothier's CEO Shows Who's Boss

By Brandon Mitchener

ional Herald Tribune COLOGNE - Peter Littmann's combination of jackets, slacks and nes mirrors the new appearance of Hugo Boss AG, the company he runs: loose, luxurious and successful.

While some German fashion houses bob in the wake of reckless expansion m the 1980s, Mr. Littmann's improved Hugo Boss is on its way back to financial health as a result of shifting production to Eastern Europe and moving into new markets, both geographical and stylistic.

markets, both geographical and stylistic.

The company's profit was up 17 percent in the first half of this year, at 26.4 million Deutsche marks (\$17 million), on sales of 395 million DM. Analysts say the bottom line appears safely in the black even though the profit rise is expected to flatten as the year wears on. The company's pretax return on sales,

revenue has been shrinking since it peaked at just under 1 billion DM in 1991. The rising profit margin reflects cost-cutting as well as demand in Asia and the Americas. One key strategy has been Mr. Littmann's decision to split the concern into three divisions, which some observers

at 11 percent, is extraordinarily high, yet

initially said threatened to alienate traditional customers. But the move is having the opposite effect. Indeed, retailers who said Hugo Boss

had become too conventional are giving the company a second chance with its two new collections, Hugo and Baldessarini, and the stores say both the new lines and the company's flagship Boss collection benefit from having narrower focuses. While Boss is for the traditional business-executive market, the Hugo line is aimed at the fashion-conscious and Baldessarini is a new high-end hrand.

Karl-Heinz Annas, who owns a chain of men's clothing stores throughout Germany that stopped carrying Hugo Boss clothing several years ago, said he would begin selling upmarket Baldessarini products as of the spring collection. "The company has changed its approach, and the Baldessarini line fits in perfectly with our strategy," he said.

"Boss has become much more fashionable as a result of Hugo," Mr. Littmann said at a men's fashion fair here last week. A corporate turnaround artist and marketing professor who found success selling porcelain and carpets, Mr. Littmann pre-dicted Hugo and Baldessarini would sell clothes worth around 25 million DM in 1994 and double sales every season until they accounted for 25 percent of overall

revenue, or more than 200 million DM. The spring collection of Hugo, which Mr. Littmann said had proved popular in Germany, Britain and Asia, features variations on soldier and sailor style and loose, comfortable suits, vests and jeans

that apparently are popular with women thanks to sometimes unisex cuts. Honey-colored jackets, floral nes and supple leather jackets were more typical of Baldessarini, which is named after the company's chief designer. Werner Baldessarini, who is also its vice president.

Boss, meanwhile, remains a Mercedes-Benz among men's business clothing and is therefore relatively immune to the economic climate in Europe. In addition. the division is profiting from one-thirdlower production costs in Slovenia, Ro-

mania and the Czech Republic. Mr. Littmann and Italy's Manifattura Lane G. Marzotto, a wool fabric giant that bought a 50.4 percent stake in Hugo Boss in 1991, are banking on the new collections and presentation bringing new flair to a well-known name that expanded too quickly in the 1980s and suffered from saturation and quality

problems as a result. Now, as it retrenches in Europe and the Americas, the company is expanding aggressively in Asia. It just opened a new Hugo store in Singapore and plans Boss stores in Beijing and Shanghai this year and in the Philippines and South Korea over the next two years.

It is also launching lines of Boss un-

derwear and swimwear. "Everything should fall into place for

See BOSS, Page 11

Tansil Sentenced in Bapindo Scandal

JAKARTA - Eddy Tansil, the main figure in Indonesia's multimillion-dollar Bapindo banking scam, was sentenced Monday to 17 years in jail and fined 30 million rupiah (\$13,000).

Mr. Tansil, a Chinese businessman, also was ordered to pay compensation of 500 billion rupiah after being convicted of fraud and forgery in connection with obtaining loans from the PT Bank Pembangunan Indonesia, or Bapindo, a state-run

Jakarta's Central District Court also ordered Mr. Tansil to hand over some of his property to cover losses at Banindo.

"The charges against you have been proven," Chief Judge Sutrisno told Mr.

Mr. Tansil is one of six people facing trial over \$450 million in losses incurred by Bapindo on letters of credit extended to his Golden Key group, which has interests in

It was the second verdict handed down in the case. Maman Suparman, a junior Bapindo executive, was sentenced in July to nine years in jail and fined 15 million

The Bapindo case has riveted the Indonesian public because many top government officials were called as witnesses, including Admiral Sudomo, head of President Suharto's supreme advisory council.

Reports have suggested that more charges are to come in the case, possibly involving high-ranking government offi-

Two former Bapindo directors have already appeared in court on charges connected with the fraud, and another two are due to appear in coming weeks.

Johannes Sumarlin, a former finance

minister, and Nasruddin Sumintapura, a former junior finance minister, are scheduled to appear as witnesses. Evidence uncovered during Mr. Tansil's trial may be used to implicate others, the judge said.

"Documents that have been seized can be used as evidence in other cases," he said without elaborating. Mr. Tansil's attorney, Gani Djemat,

said his client was a victim of a case with wider political overtones. "He is a political victim. There are not only legal matters here but also political

influence," Mr. Djemat said. Prosecutors had asked that Mr. Tansil be jailed for life and fined \$370 million.

Spectators who packed the courtroom applauded after the sentence was read, and Mr. Tansil was protected by police wieldmg rattan sticks.

Mr. Djemat said his client would decide within three days whether he would appeal

He said Mr. Tansil had already offered to hand government control of his cight companies, valued at 1.2 trillion rupish, to the government.

'We made this offer before today's judgment," Mr. Djemat said.

Beijing Blurs Line Between A and B Shares

Compiled by Our Staff From Dispatches SHANGHA1 - China unveiled legislation Monday that opens the way to local investment in the B share market, previously limited to foreigners, in a move that further hlurs the distinction between B shares domestically traded A shares.

The new law also proposes to limit foreign ownership of Chinese listed companies to 35 percent. There was no previous limit on foreign ownership of B shares, except that B shares had to account for 25 percent of total shares issued by a compa-

ny, said a Hong Kong analyst. In practice, Chinese investors already invest heavily in B shares, which are traded in hard

But the China Securities newspaper said legislation now before the State Council, or cahinet, could put such investment on a legal footing. It said the law would come into effect soon hut did not give a timeta-

ble.
The China Securities Regulatory Commission announced this month that joint Chineseforeign fund management firms would be set up to attract overseas money into domestically traded A shares.

It also said \$1 billion of new B shares would he listed this year, an ambitious target that would triple the size of the existing markets.

Beijing has said all along it wanted to merge the A and B markets but has maintained that this cannot happen until the yuan is fully convertible, probably sometime around

At the same time, it is exploring ways of pushing the timetahle forward and of getting around the foreign exchange problem to strengthen both A and B markets. The proposal to allow foreign

funds into A shares was an-

nounced as part of a rescue package for the Shanghai and Shenzhen A markets, which responded by more than doubling in value in a single week.

Under the new legislation, to be attached to China's corporate law, securities authorities would have power to approve new categories of investors in the B market, now reserved for

overseas institutional funds. 'This will make it easier in the future for Chinese nationals to invest in hard currency shares," the newspaper said. (Reuters, Knight-Ridder)

China Says It

Won't Approve **New CD Plants** Bloomberg Business News

BELJING - In a bid to appease critics of its copyright practices. China said it would not approve new foreign-funded production lines to make compact discs and laser discs, the official Legal Daily said Monday.

The paper said the order was contained in a circular issued hy the Ministry of Foreign Trade and Economic Cooperation and the audio and visual products department of the State Administration for Press and Publication.

The circular also said existing factories would not be allowed to expand, the paper reported.

The illegal pirating of intellectual property hy Chinese companies has been of concern to the United States, which says it loses as much as \$1 hillion a year because of fake software and audio-visual products.

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By Simon Bradwell

Reuters
rELLINGTON — The New Zealand stock market is expected to rally in coming months, but an uncertain political scene and dependence on the performance of overseas markets could limit gains, analysts say.

"The economic picture here is good, the political picture is unknown," said Don Turkington of Cavill White Securities Ltd.

Politics have threatened to take the local

Politics have threatened to take the local

spotlight since a hung Parliament was narrowly avoided in the November general elections and the National Party government was remined to power with just a one-seat majority.

Financial markets have been unsteady recently, affected by a series of close polls and

this weekend's by-election in which the con-servative National Party escaped with a nar-row victory to hold on to its slim majority.

"Really a high degree of political uncertainty compared to what we've had in the past is going to be a characteristic of New Zoaland for

some years to come." Mr. Turkington said.

The country is gradually changing its political system from first-past-the-post voting to German-style mixed member proportional representation. The changing political structure, likely to favor smaller parties, could prove to be a drag on the market.

An added fear is the economic strategy of the Alliance party, which emerged in the by-election as the most likely opponent to the National Party in the next general election.

rich and modify the Reserve Bank Act, seen as a cornerstone for New Zealand's low infla-

tion of recent years. The party's manifesto is a "horrific document for financial markets." according to John Rattray, equities director at brokerage Ord Minnett.

Observers also said overseas markets would have a major bearing on the local hourse's

performance.

Of particular interest is the U.S. Treasury bond market and the direction of interest rates. The U.S. Federal Reserve may raise interest rates this week, which typically causes a

fall in bond and stock prices. "In the short run, it's a slightly confused picture, and because of that we're going to be dictated to by the rest of the world to a fair

extent," said Mr. Rattray. But Mr. Rattray says a rise in short-term interest rates is not inherently negative for equity markets, as it dampens the more damaging long-term possibility of an overheating

Economic fundamentals in New Zealand are seen as solid and should be reflected in company profits.

The New Zealand economy grew by 5.3 percent in the year to March, while inflation stands at only 1.1 percent.

While the honzon might be clouded with uncertainty, the way is still clear for the share

market to rally before the end of the year. Mr. Turkington of Cavill White Securities said that the NZSE-40 stock index "has got scope to rise a couple of hundred points" in

the next four months. ational Party in the next general election. The index finished up 25.70 points at The Alliance promises to raise taxes for the 2,097.64 Monday, well below its high for the

year of 2,444.80. Reginald Dale is on vacation.

Bell Atlantic Sets Charge And Job Cuts

PHILADELPHIA - Bell Atlantic Corp. detailed plans Monday to take after-tax charges totaling \$2.3 billion and cut 5,600 jobs, or 7.7 percent of

its work force. The company said the charges would result in a loss for the third quarter and for the year.

The bulk of the charges \$2.15 billion, is related to the discontinuance of regulatory accounting and the revaluation of its telephone plant.

Job cuts will cost the company \$100 million, and \$35 million to \$45 million will cover the company's plans to exit certain investments. The company said the job cuts would occur over

the next three years. Bell Atlantic said the charges would help it prepare for in-creased competition in its core local phone market while allowing it to enter new markets such as cable television.

"These initiatives are major steps in an aggressive, multiyear campaign to respond to compe-tition in our traditional markets and to enter new high-growth markets to enhance share-owner value," the company's chairman, Raymond W. Smith, said.

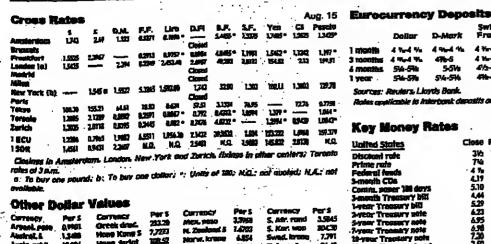
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Wall Street Falls, **But Heinz Climbs**

rates. But drug and food shares other food products declined to climbed amid speculation of comment on the rumors. takeovers, with HJ. Heinz ac-

U.S. Stocks

was targeting it for a takeover. Equities traded within nar-Equities traded within nar-row ranges most of the day. The rose broadly, with Gensia Phar-Federal Reserve's policy-setting maceuticals up 214, to 1134. Federal Open Market Committee meets Tuesday. It is expected the committee will consider raising rates for the fifth time this year to forestall inflation.

The Dow Jones industrial average ended 8.42 points lower. to 3,760.29. Gainers took a slight lead over losers on the New York Stock Exchange. where volume was 223,2 million

Release of the industrial production figures, which showed a 0.2 percent increase in July and was the 14th straight monthly advance, incited a brief flurry of selling in the bond market. The benchmark 30-year U.S. Treasury bond was priced at 99 30/32, for a yield of 7.50 percent, up from 7.48 percent Fri-

H.J. Heinz gained 4, to 374. H.J. Heinz gained 4, to 374, one in Oregon. on reports the company was be(AP, Knight-Ridder, Bloomberg)

Compiled by Our Stuff From Disputches ing considered as a takeover NEW YORK - U.S. stocks target by the Anglo-Dutch confell Monday on a late selling sumer products giant Unilever. wave as investors braced for a A spokeswoman at the maker of possible rise in U.S. interest Heinz catsup, Starkist tuna and

tive on reports that Unilever after a constructive July sales report, while Merck rose %. to 33%, amid a generally buoyant pharmaceutical sector. Syntex climbed 1/8, to 21%.

Caremark International was up ¼ at 21% after agreeing to purchase most of the assets of Friendly Hills Healthcare Net-work in Southern California. American Homepatient rose %, to 58% on higher second-quarter earnings.

Lotus Development shares soared 2, to 44, after an analyst at Dean Witter Reynolds repeated a buy recommendation on the stock, saying a soon-to-be-released version of the company's Notes communication software would boost growth.

Intel, the world's largest independent maker of computer microprocessors, rose 13/16, to 61, after news that it might spend about \$2 billion in the next few years to build a new plant and expand an existing

Dollar Mired in Range Before Fed Meeting

Bloomberg Bunness News NEW YORK - The dollar slipped against European currencies but was little changed against the yen Monday as in-vestors took positions before the Federal Open Market Committee meeting Tuesday.

But dealers said a quarter-

point rise would baye little effect on the dollar because so many traders expected it to

Foreign Exchange

bappen, "It feels like it's almost a done deal," said Lynn Tierney, a vice president at Shaw-

mut Bank of Boston. The dollar closed at 1.5522 Deutsche marks, down from 1.5572 DM Friday, at 1.3030 Swiss francs, down from 1.3265 francs, and at 5.3265 French francs, down from 5.3400 francs. It closed at 100.13 yea. little changed from 100.15 yen on Friday.

Stronger-than-expected U.S. capacity utilization figures for July reinforced the perception that the economy is growing quickly enough for bottlenecks in supply to develop, analysts

If the Federal Reserve Board views that as likely to fuel inflaraise rates, they said. Higher interest rates make a currency more attractive by increasing the return offered to investors

holding it. But dealers warned that the dollar could be vulnerable to setbacks even if the Fed does raise rates, analysts said.

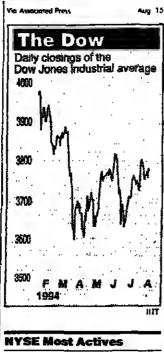
The dollar's given a sad performance even though people have been gradually revising their forecasts up to a half-point Fed hike," said Jouni Kokko, international economist at S. G. Warburg. A quarter-point would now come as a disappointment and be seen as a lack of resolve on the Fed's part."

The Fed has raised the target for the federal funds rate, which sets the wholesale cost of funds for banks, four times since Feb.

4, to 4.25 percent.
The dollar has been undermined by speculation that European interest rates are close to their bottom for this economic cycle. That sentiment was fueled by moves by Italy and Sweden last week to raise rates.

Europe dilute the attraction of rising U.S. rates. "The mark's been strong, based on the view that German

rates are now going up," said Julian Callow, an economist at Kleinwort Benson Securities.

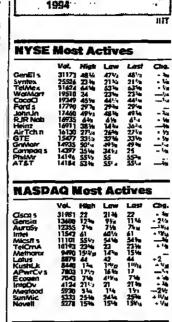


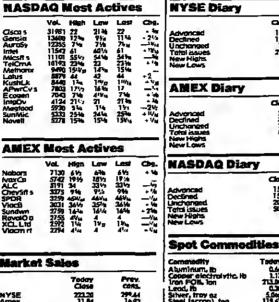
NYSE Indexes

NASDAQ Indexes

AMEX Stock Index

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Securities Slump Takes

Further Toll on Merrill

NEW YORK - Merrill Lynch & Co., the largest U.S.

Financial markets continued to weaken in July 1994,

securities firm, said Monday that its average weekly revenue, net of interest, fell 14 percent in the first five weeks of the

leading to lower volumes in many business areas," Merrill said in a quarterly report filed with the Securities and Exchange Commission. The decline in business "negatively affected net revenues," Merrill said.

The company had net revenue of \$2.4 billion in the second quarter, or an average of \$185 million a week. A 14 percent

decline from that amount would put Merrill's average weekly

rally in the bond market stopped abruptly in February, when the Federal Reserve began raising interest rates. Merrill's second-quarter profit fell 27 percent to \$252 million, or \$1.18 a sbare, from \$345 million, or \$1.52 a share, a

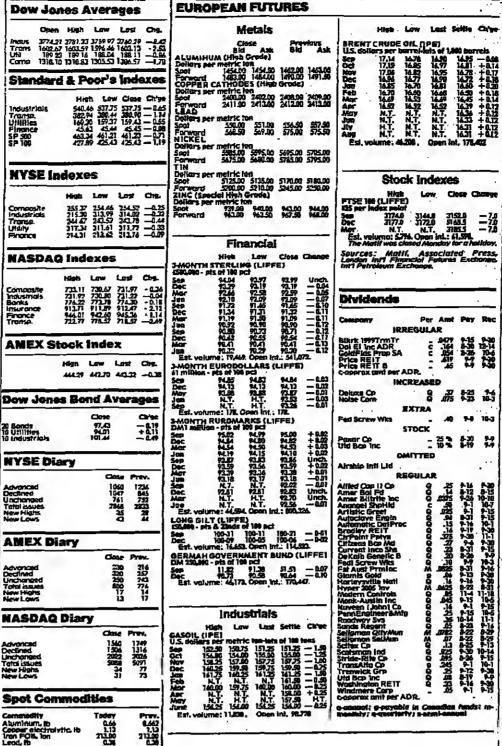
year earlier. Lehman Brothers Holdings Inc., the world's fourth-largest underwriter of stocks and bonds, reported a 79

Wall Street's results are declining because the three-year

net revenue at \$159 million.

percent decline in second-quarter profit,

current quarter from its average in the second quarter.



Texas Instruments Adds Capacity to Six Plants

DALLAS - Texas Instruments Inc. said Monday that it had chosen subsidiaries of GTE Corp. and Southwestern Bell Corp. to provide advanced telecommunications services for six Texas

plants starting in the fourth quarter.

GTE and Southwestern Bell already serve the Texas Instruments plants in their operating regions, but the two companies have not yet provided joint service of the type Texas Instruments requires. "They can deliver significantly more capacity at margin-

ally lower cost, "said a Texas Instruments manager.

While most of the initial use of the upgraded system will be for transmitting complex technical and manufacturing data, the company also plans to add videoconferencing and other services." Once the Texas plants are booked up, the company wants to add connections to its factories outside the United States, including Italy, Japan, Taiwan and Singapore.

Industrial Production Rose in July WASHINGTON (AP) - Monthly production at U.S. factones increased for the 14th consecutive month, offering Federal Re-

serve board members more evidence to justify pushing interest rates higher, analysts said Monday.

The Federal Reserve's industrial production index rose a modest 0.2 repression for the federal Reserve's industrial production in federal Reserve's industrial production index rose a modest 0.2 repression for federal Reserve's industrial production in federal Reserve's industrial Reserve's Reserve

est 0.2 percent in July, after a 0.5 percent gain in June.

Est 0.2 percent in July, after a 0.5 percent gain in June.

In its watch for signs of inflation, the Fed looks at whether factories are reaching the limit of their ability to produce enough factories are reaching the limit of their ability to produce enough goods to fulfill anticipated demand, analysts said. Industrial plants in July operated at 83.9 percent of capacity, the same as last month but up from 81.3 percent last year. Operating rates for industries manufacturing steel, paper products and petroleum products all rose to over 90 percent.

Paramount Helps Viacom Earnings

NEW YORK (Bloomberg) — Viacom Inc. said Monday its second-quarter earnings rose, helped by its acquisition of Paramount Communications Inc. and a \$267 million gain from selling its stake in the Lifetime cable television network.

Net income rose to \$221.7 million, or \$1.44 a share, from \$41.6 million, or 35 cents a share, a year earlier. Revenue at the entertainment and media company jumped to \$1.7 billion from \$496 million. For the first half, Viacom recorded a loss of \$232.4 million, after net income of \$122.6 million a year earlier.

The most recent results reflect 50.2 percent ownership of

The most recent results reflect 50.2 percent ownership of Paramount as of March 1. Third-quarter results will reflect full ownership of Paramount effective July 7, the company said.

Accounting Firms Alter Legal Status

NEW YORK (Bloomberg) - KPMG Peat Marwick and Deloitte & Touche are reorganizing their partnerships to give individual partners more protection against lawsints, the accounting firms said Monday.

The moves bring to five the number of major accounting firms to change into limited liability partnerships. Ernst & Young, Price Waterhouse and Coopers & Lybrand became limited liability partnerships two weeks ago. A spokesman for Peat Marwick said the firm was changing its status "to provide partners protection for their personal assets

Arthur Andersen will make a similar move next month, a spokesman Jack Ruane, said.

Kmart Profit Fell in 2nd Quarter

TROY, Michigan (Combined Dispatches) — Kmart Corp. said Monday its profit fell nearly 8 percent in the second quarter, reflecting continued troubles at the company's discount stores. The second-largest U.S. retailer said it earned \$94 million in the quarter, down from \$102 million a year earlier. Second-quarter consolidated sales rose 4.6 percent to \$8.83 billion from \$8.44 billion a year ago. For the first half, Kmart said profit slid 10.4 percent to \$112 million from \$125 million. First-half 1994 sales rose 5.4 percent to \$16.64 billion.

Kmart said its directors would meet Tuesday morning amid speculation that a plan to deal with the company's specialty stores may emerge.

(AP, Bloomberg)

American Home Lifts Cyanamid Bid

NEW YORK (Knight-Ridder) — American Home Products Corp. said Monday that it was raising its offer to buy American Cyanamid Co. to \$100 a share from \$95 if Cyanamid agrees to the deal by the close of business on Tuesday.

But if Cyanamid does not accept the sweetened bid, Home Products will proceed with its pending tender offer at \$95 a share. Last week Cyanamid urged its shareholders to hold off tendering their shares until it could study the bid further.

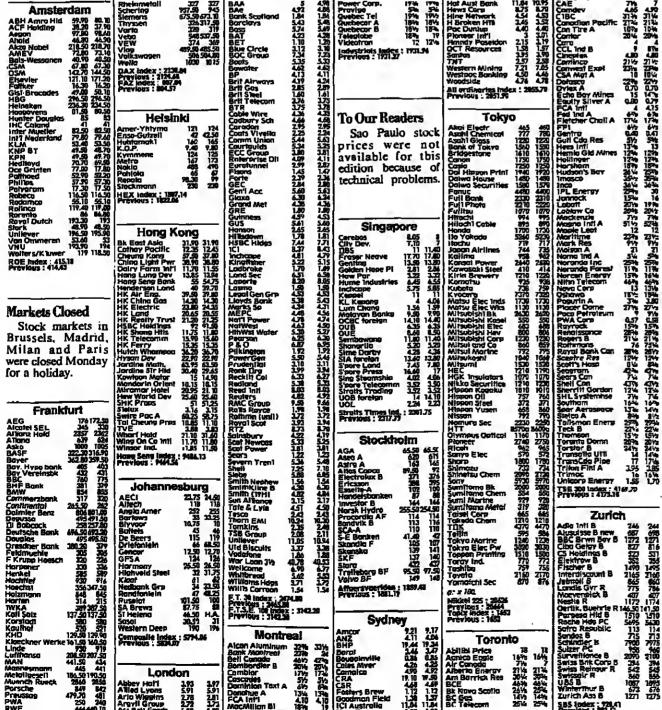
Weekend Box Office

The Associated Press

LOS ANGELES - "Clear and Present Danger" dominated the U. S. box office again with a gross of \$15.7 million over the weekend. Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

	Throat beneat the Attendary	
1, "Clear and Present Danger"	(Paramount)	\$15.7 million
1 "Porrest Gump"	(Paramount)	· 514 m lilion
1 "The Mast"	(New Line Chierna)	39.7 million
4 "The Little Rustols"	(Dalversol)	37.2 m 13710g
5. True Lies	- Twentich Contary For	~ \$6.9 million -
6. "In the Army Now"	(Hollywood Pictures)	\$6.5 million
7. "The Lion King"	(Walt Disney)	56 million
II. "The Client"	(Warner Brothers)	. \$5.8 milition
IL."11 Could Hoopen to You"	(TriStor)	\$4.1 million
19, "Angels in the Outfield"	(Wall Disney)	\$2.1 million

WORLD STOCK MARKETS Agence France Presse Aug. 15 Amsterdam To Our Readers Sao Paulo stock



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Trading Results Cut HSBC Profit

LONDON - HSBC Holdings PLC said Monday that its pretax profit rose 24 percent, to £1.46 billion (\$2.25 billion) in the first half of the year, but the results were dented by an 86

man, said HSBC — the parent company of Hongkong & Shanghai Banking Corp. and share," a union spoker Midland Bank PLC of Britain more than 3 percent. - would not be taking large positions in dealing operations until trading conditions im years ago.

Dealing income plummeted to £73 million from £522 million after the U.S. interest rate rises beginning in February. which threw bond markets into

a slump. positions until we see markets that are less unpredictable,"

HSBC's subsidiary Midland Hongkong & Shanghai Bank-Bank, whose Midland Global ing. But it was below 60 per-Markets accounts for most of cent, the level the group has set the trading income, saw last as an acceptable maximum. year's £296 million dealing profit turn into a £6 million loss.

"We were positioned for the rate hike, but not for the overreaction in Europe, particularly. in the bond markets," Mr. Purves said. "It was an exceptionally difficult first-half."

tor it bought last year.

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Compiled by Our Staff From Dispatches

COPENHAGEN -- ISS-International Ser-

vice System AS said Monday its first-half

pretax profit jumped 67 percent, helped by

rising sales and a strong contribution from:

National Cleaning Group, the U.S. competi-

ISS said it earned 235 million kroner (\$38

million) in the half, up from 141 million in the 1993 first half, while sales rose nearly 23 percent, to 7.25 billion kroner.

But the cleaning company said its operat-

ing profit for the full year would be about steady with that of 1993, causing shareholders

to bail out of the stock. In Copenhagen, ISS

shares tumbled more than 10 percent, to 197

"This is very disappointing," said Lars Almind Hansen, an analyst with Jyske Bank AS.

"It is more than a year since ISS bought NCG, and it said the whole merger process

should be completed in 1993. We expected.

ISS said part of the reason for its cautious.

full-year outlook was that profit fell in Brazil;

Union Urges Midland Strike

results were dented by an 86 LONDON — Britain's largest banking union said Monday it percent collapse in trading was urging 20,000 staff at HSBC Holdings PLC's Midland Bank rofit.

unit to carry out a series of one-day strikes after rejecting a 2.25

Sir William Purves, the chair-percent pay increase offered by the bank.

The Banking and Insurance Finance Union said, "Fortunes are being made at the Midland, but the staff only get a 2.25 percent share," a union spokeswoman said. The union seeks a pay raise of

HSBC bad record profit last year of £2.58 billion, boosted by an £844 million contribution from Midland, which it acquired two

After the bank's announcement Monday of first-half pretax profit of £443 million, the union called for Midland to make a new pay offer, Midland's staff is due to complete voting Ang. 26 on whether to strike.

HSBC's cost-income ratio, a We will not run significant key measure of efficiency, worsened to 59.4 percent from 57.7 percent because of lower treasury profits at Midland and

> "The British economy looks a bit patchy to me," Mr. Purves said. "Clearly there is some growth in the right direction. but there are worries about inflation coming back and talk of interest rates ticking up. I hope

they don't tick up too soon."

ISS Earnings Rise, but Stock Drops

He said the economy in North America, where HSBC owns Marine Midland Banks inc. and Hongkong Bank of Canada, was "moving swiftly." while growth in Hong Kong was running at 5 percent.

The group derives 59 percent of its attributable profit from Hongkong Bank and its majority-owned Hang Seng Bank Ltd. "As we look forward into the

areas in which we operate, the outlook is more encouraging than it was a year ago," he said. The bank raised its dividend 14 percent, to 8 pence a share.

Sweden slipped, further undermining the out-look, it said.

But the company said results in the rest of

Scandinavia were "highly improving," while sales rose about 12 percent in the rest of

Nevertheless, Mr. Hansen said he would

revise downward his 1994 profit forecast to

280 million kroner after tax, not counting

one-time income from the sales of its energy

management and linen service units this year.

Previously, Jyske Bank expected the company

to post net profit of 325 million kroner ex-

ISS said it planned to continue its strategy

of strengthening its worldwide cleaning oper-

ations while divesting itself of units not cen-

tral to its core activities in the fields of clean-

ing listing American depository receipts on

the New York Stock Exchange, ISS originally

wanted to list in New York in mid-May but

postponed the listing because it said market

(Bloomberg, AFX, Reuters)

.The company also said it was still consider-

cluding the one-time items.

ing, hospital and airport service.

conditions were unfavorable.

The British Bank of the Middle East reported an attributable profit of £21 million for the

first six months, compared with £30 million. Hongkong Bank of Canada reported an attributable profit of 42 million Canadian dollars (\$30.4 million) for the six

months ended April 30.

shares fell 27 pence, to 744.

In Asia, Hongkong Bank re-

ported slightly higher attribut-able profit of 6.66 billion Hong

Kong dollars (\$867 million) for the first six months, compared

with 6.37 billion a year earlier.

It said the result included Hongkong Bank's 61.5 percent

holding in Hang Seng Bank,

which reported a profit of 3.11

billion dollars, an increase of 13

Hongkong Bank Malaysia re-

ported an attributable profit of

101 million ringgit (\$40 million), compared with 65 million

ringgit in the first half of 1993

by the Malaysian branches of Hongkong Bank, which were transferred to the company Jan.

In the United States, Marine

Midland reported an attribut-able profit of \$110 million com-

pared with \$79 million, a rise of

percent from a year earlier.

(Bloomberg, Reuters, AFP)

Insurer Rejects Offer for Esab

STOCKHOLM - Wasa Insurance said Monday it would not accept an extended offer for

"The extension doesn't several minority shareholders bolding up Charter's takeover bid, holds 4.2 percent of Esab's capital and 4.7 percent of the

Charter said earlier it had extended its bid for Esab until Aug. 26 but did not increase the oped a substance that could filbid price of 345 kronor a share, or 3.1 billion kronor (\$396 milhon), a price some Esab holders hicles - and increase the comsay is too low.

shares representing 57.3 per-cent of the votes in Esab. (\$323 million). (Reuters, Bloomberg)

Extended Charter

Compiled by Our Staff From Dispatche Swedish welding concern Esab AG from Britain's Charter PLC.

change anything," a Wasa spokesman said. Wasa, one of voting rights.

As of Friday, Charter held

The company's sbares soared 5 percent and closed at 356.00

NoXon works by transforming ozone molecules into ordinary oxygen as air passes through a recyclable filter. Hoechst said.

The product will come onto the market in the next one to one and a half years," said Hartmut Vennen, a spokesman. "We aim to have a whole family of noXons," Mr. Vennen

The company expects sales to reach 200 million DM in two years and 500 million DM in four to five years, a spokeswoman said.

Mr. Vennen said Hoechst researchers discovered noXon's properties 18 months ago. The company set up a small production site for noXon in Frank-

Initially, Hoechst expects the market for the filters to be pub-

Bundesbank Feeds Hopes of Rate Cut

FRANKFURT - The Bundesbank said Monday that Germany's M-3 money supply was likely to grow by more than the central bank's target rate this year, for the third year in a row, but it still sounded an upbeat note on prospects for

The central bank said in its August monthly report that M-3, which grew at an annual rate of 11.4 percent in June, had already passed its target range of 4 percent to 6 percent growth that was set for all of 1994.

"M-3 would bave to fall by half a percentage point in the remainder of the year for this year's goal to be reached," the report said. "This does not seem likely from the current

But the Bundesbank gave an optimistic assessment of the near-term outlook for inflation, saying that all forecasts indicated that the rate would slow further after falling to 2.9 percent last month from an average of 4.2 percent in 1993. "A look at the development of the consumer price index

currently gives general grounds for optimism for the foreseeable future," it said. Analysts say the prospects for slowing inflation and a slowing money-supply trend will lead the Bundesbank to lower its 6 percent Lombard rate and 4.5 percent discount

rate soon, although many say a cut this week is unlikely. The Bundesbank council resumes its regular meetings, which are held every two weeks, on Thursday after a fourweek summer break. It last lowered its Lombard and discount

Holger Pahrinkrug economist at UBS in Frankfurt, said that another rate cut was "likely by September, taking the discount rate to 4 percent from 4.5 percent" as a result of the

good inflation and M-3 figures. "Although we would not rule out entirely that such a step might come up as early as this week, we think it is more likely to come at one of the subsequent meetings," be added.

But some form of decision on the Bundesbank's key money-market rate, the repo or securities-repurchase rate, is virtually certain at this week's meeting, as the last of series of money market tenders at a fixed interest rate of 4.85 percent will be set this week.

■ Bonn Raises Its GDP Growth Forecast

Economics Minister Günter Rexrodt said the government had increased upward its forecast for growth in German gross domestic product to between 2 percent and 25 percent, Knight-Ridder reported from Frankfurt.

It previously forecast a rise of 1 percent to 1.5 percent.

Hoechst Develops Filter For Ozone, Shares Soar

lic buildings such as hospitals, schools and offices. Eventually, Compiled by Our Staff Front Dispatches FRANKFURT - Hoechst AG said Monday it had develit bopes to reach private bomes. Hoechst's spokesman for the ter out the damaging effects of product, Hermann Schaap, said the material would cost around ozone inside buildings and ve-150 DM a kilogram and already pany's annual sales by about has been tested by Daimler 500 million Deutsche marks Benz AG, Volkswagen AG, Swissair AG and Deutsche Lufthansa AG.

While the ozone layer in the upper atmosphere protects the Hoechst said it expected to Earth, at ground level high consell the puwdery substance, centrations of ozone — a toxic called noXon, to manufacturers gas resulting from pollution — can damage the lungs and cause breathing problems and skin ir-

ritation. "Although noXon will not get rid of the source of the ozone problem, it will provide help to those, such as the ciderly and children, who suffer as

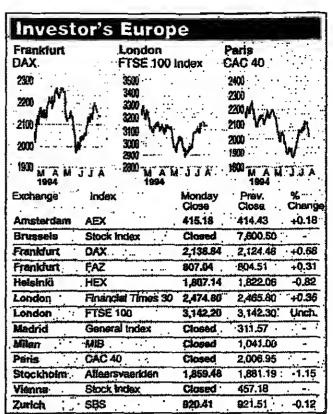
result," the company said. Analysts said they were examining how likely it was that other companies would be able to bring something similar onto the market.

Mr. Vennen said noXon was exclusive to Hoechst and that no rival patents had been registered. Two of Germany's largest

chemical companies, BASF AG and Bayer AG, said they had not developed anything similar: as far as is known, neither bave Imperial Chemical Industries PLC or BOC Group PLC. Britain's two largest chemical com-

(Bloomberg, Reuters)

panies.



Very briefly:

• Reed Esevier PLC, the Anglo-Dutch publishing group, said it would pay Peter Davis, its former co-chairman who left in June after a boardroom clash, more than £625,000 (\$966,000) for loss of contract. It will also add contributions to his pension in a deal it said was worth as much as to £1.3 million.

· Siemens Transportation Systems said a consortium led by its parent Siemens AG won an order from Germany's federal train network for 50 high-speed trains.

Finland's industrial production rose 11.9 percent in June from the same month a year earlier.

Dutch producer prices in June were down 0.1 percent from May

and were unchanged from June 1993. • France's Prime Minister Edouard Balladur said the privatization of Renault had not yet been decided but said a decision would be

made in September. Bank of Ireland said it had sold its subsidiary British Credit Trust; the price was not disclosed.

• Hoogovens NV's Chairman Maarten van Veen said the company was not seeking takeover or merger partners after losing out on a bid to acquire Klöckner Stahl GmbH, Het Financieële Dagblad reported. He said Hoogovens might huild a new steel plant within the next few years, possibly in Mexico.

• Zeneca Group PLC said it had launched its best-selling Zestril beart drug in China for the treatment of hypertension and congestive heart failure.

Norway posted a trade surplus of 5.67 billion kroner (\$829 million) in July.

Remers AFX. Bloomberg, AFP

Hanson Plans to Spin Off Ertl Toymaking Division

LONDON - Hanson PLC's U.S. unit, Hanson Industries. said Monday it planned to float its Ertl Co. toy-making

subsidiary, resulting in a \$200 million gain for Hanson.

David Clarke, the chief executive of Hanson Industries, said Hanson would retain 37 percent of the common stock of Ertl, which makes die-cast replicas, toys, television-advertised promotional toys and plastic model kits.

Mr. Clarke said Ertl had filed a registration statement with the Securities and Exchange Commission for an initial public offering of 8.5 million shares of its common stock at an estimated offering price of \$16 a share.

He said the offering was expected in the autumn of this year, "subject to satisfactory market conditions."

■ Bilspedition Plans to Sell Atlantic Container Division Bilspedition AB plans to sell 83 percent of its Atlantic Container Line subsidiary, reducing its debt by 735 million kronor (\$94 million), Bloomberg Business News reported from Copenhagen

The sale, which would provide Atlantic Container with between 350 million kronor and 450 million kronor in fresh capital, also would reduce Bilspedition's total assets by 1.3 billion kroner and result in a one-time charge of 76 million

The Swedish company said Atlantic Container would be listed on the Oslo stock exchange, giving the former subsidiary the financial base to become a fully independent compa-

BOSS: New Lines and Push Abroad Help to Spruce Up Firm's Profitability

Continued from Page 9

Boss in 1995," said Katharina Anette Stroh, an equities analyst at Schröder Münchmeyer year carner. Orange by the lyst at Schröder Münchmeyer profit hit a record 76.5 million DM. German economy improving. Boss's sales should increase 3.5 percent, to 880 million DM. Farnings will outgrow sales," she predicted. Some analysts expect a 40

percent increase in earnings per share over the next two years. Net profits at the Metzingenbased company, adjusted for a The main reasons 1994 earn-one-time tax benefit, rose 11 ings are unlikely to rise signifi-

year earlier. Unadjusted, net

In 1994, "we're trying to make the right revenues, not the

The main reasons 1994 earn-

greatest possible revenues" said Mr. Littmann, explaining that the company was being selec-tive as 10 bow and where it allowed Hugo and Baldessarini

er marketing costs for Hugo and Baldessarini.

Much of the expansion in Asia and production shift to-ward Eastern Europe, as well as the initial drive behind the new collections, is the work of Mr. Littmann, the charismatic son of a Prague lawyer who came to Germany in 1968 with 30 DM in his pocket.

After studying mechanical

percent in 1993, to 48.6 million cantly above 1993's are extraor-DM, on sales of 846.3 million dinary expenses associated with DM, an 11 percent fall from a relocating production and higha leading German carpet maker, Rosenthal AG, a well-

known porcelain company that he belped restructure; and Vorwerk & Co., another carpet company where he spent 12 years before switching to Hugo At Vorwerk, too. Mr. Littmann raised eyebrows with an

eventually successful idea to make and market "signed" designer carpets.

FORGERY: Criminals Find a New Use for Desktop Publishing Software

Continued from Page 1

No. 1 crime problem facing banks. Payroll-check scams are only one of the myri-ad check-fraud schemes plaguing not only banks but retailers.

Crooks also commonly counterfeit large corporate checks, deposit them in a bank account -either an existing one or a new account opened by the crook or by an accomplice — and then draw on them. Around the country, an increasing number of criminals are cashing bad checks in supermarkets, department stores and other

retail outlets.
"We'll cash a payroll check if a customer spends 10 percent of it with us," said Angie Spoto, vice president of treasury operations at Ames Department Stores Inc., a discount department store chain based in Rocky Hill, Connecticut, with 300 stores in 14 Northeast states. "It generates sales for

But it also generates losses. Of its \$500 million in sales to people who paid by check in 1991, Ames wrote off 1.8 percent because of fraud. This year, it expects to cut that loss by half by installing check-reading devices at all of its 3,200 cash

registers. The check-readers are linked to a national data base of deadbeats maintained by Deluxe Corp., a check-printing company.

In California, the center of counterfeiting activity, transactions involving fraudulent checks rose fivefold last year at Wells Fargo Bank alone. In New York state, Chemical Banking Corp. reported a 50 percent increase so far this year. Most bad-cbeck erooks operate in

gangs, but individual entrepreneurship also abounds. John S. Halleron, a selfemployed computer programmer who used to work at a payroll-check processing company, has been accused of passing nearly 100 bad checks he made with a software program for businesses called Create-a-Check. He will be tried as early as next week in Franklin County Court in Columbus, Ohio.

Everything we see is computer-generated, so the items are a little bit better actually quite a bit better -than they used to be," said Ed Lindsey, a detective in the Police Department. "It started getting out Fargo.

of hand three years ago and now it's gone beyond that. It's out of control."

The problem is that commonly available computers can seamlessly merge images. creating seemingly official documents. even ones laden with elaborate decoration and "authenticated" with stamps and signatures. And the corner copy shop now bas a machine that can make such a realistic color facsimile of a dollar bill that the government is changing the currency's de-

It is far easier to counterfeit checks than cash. For one thing, there is no standard check design. Indeed, more and more businesses are saving bank-check fees by printing their own checks on standard office laser printers.

These printers, of course, are also available to crooks, as are inexpensive scanners and graphics software to copy corporate logos and check designs.

The information on your bank account is as available as every check you write." said Mary E. D'Agostino, a vice president bunco-forgery division of the Los Angeles and loss prevention manager for Wells

one of its largest markets. Profit margins in NYSF

the net profit ratio would improve."

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Continued on Page 12

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Smooth as silk is 20 flights a week from Thailand to five cities in Australasia.

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Individual Buyers Liven Up Bidding For Japan Tobacco

TOKYO - Individual investors were the most aggressive bidders Monday at the government's auction of Japan Tobacco Inc. shares, ignoring pleas by anti-smoking groups to refrain from buying the issue.

The government is selling 666,666 shares of the world's fourth-largest tobacco company, and the sale will set the price of 436,000 more shares to be listed on stock exchanges in Tokyo, Osaka and Nagoya on Oct. 27. Brokers said individual in-

vestors had been bidding between 1.0 million yen and 1.2 million yen a share (\$10,000 to \$12,000), although some placed bids as high as 1.5 million yen. At those prices, the company would be valued at \$20 billion or more, on the basis of its 2 million shares outstanding.

Institutional investors, by contrast, were mostly absent from the bidding, in large part because of concern about the future of tobacco company earnings, brokers said.

A broker at Jardine Fleming Securities said some domestic institutional investors would bid for the shares, partly because of government pressure on them to take part in the auction.

But interest is really subdued," the Jardine broker said. Institutions fear the company's earnings will suffer as more people give up smoking for health reasons and as foreign tobacco gains conularity

among young Japanese, he said. Foreigners have steered clear of the auction for precisely those reasons, he added. But individuals had other

"Individual investors are interested in the listing of IT shares because they think at the moment it's the best way to make money," said Hiroyuki Tanaka, a broker at Cosmo Se-

The Tokyo-based company does business in 47 countries, mostly in East Asia, and employs 23,700 people in opera-tions that also include medicine and real estate. It reported profit of 15.9 billion yen on sales of 2.7 trillion yen in the year ended March 31.

(Reuters, AP, AFP)

III IDO Expects to Post Loss Nippon Idou Tsuschin Corp. said Monday that investments in digital cellular telephone services would cause it to post a loss of more than I.0 bilion yen for the current financial year, ending in March 1995, Reuters reported.

The investment and debt totaling 230 billion yen will keep the cellular phone company from posting a profit until 1998-99, it said.

The company also said Toyota Motor Corp. would be-come its top shareholder after Oct. I, when Nippon Idou doubles its capital to about 22.91

U.K. Sells More to Malaysia

Price Waterhouse Sued in Australia

without merit and the company

would "vigorously defend" the

"This is yet another attempt

to make the auditors pay for the

negligence of the directors, man-

agement and ultimately, in this

case, the state government of the

time, solely because of the insur-

ance cover auditors are forced to

A state auditor-general's re-

port released last year said that

Beneficial's executives had been

guilty of some of the largest

corporate excesses of the 1980s.

port of a Royal Commission into the State Bank case said the

Mr. Small said the final re-

carry," Mr. Small said.

KUALA LUMPUR - British exports to Malaysia rose 81 percent in the first six months of this year despite Kuala Lumpur's ban on British business, the British High Commission said Monday.

In fact, the ban may be hurting Malaysian businesses, according to the High Commis-sion's figures, which said Malaysia's exports to the United Kingdom fell 25 percent in the six months.

According to the data, British exports to Malaysia rose to £666 million (\$1 billion), compared with £367.7 million in the first half of 1993, while Malaysia's exports to Britain's declined to £580.6 million from £769.7 mil-

Malaysia, angered over newspaper reports alleging corruption in Britisb-Malaysian trade, announced in February it was barring British businesses from Malaysian govern-

Prime Minister Mahathir bin Mohamad

Regulators Investigate has said the government would end the ban when the British press "stops printing lies." Both Malaysian and British officials have

to government contracts. Malaysia's ambassador to Britain, Kamaruddin Abu, said last week that the ban which could cost British business billions of pounds in lost contracts over the next few years - had had no effect on private-sector dealings between the two countries.

stressed, however, that the ban only applied

Diplomats say the surge in British exports to Malaysia is partly a result of heavy equip-ment and supplies being brought in to build the Pergau Dam. The dam itself bas played a part in the strained relations between Britain and Malaysia, which gained its independence from Britain in 1957.

Malaysian officials objected to press and parliamentary investigations into links between a British loan for the Pergau project and Malaysia's purchase of £1 billion of British defense equipment in 1988.

quence of poor lending and in-

vestment decisions" and that

'appropriate and adequate."

the 1988 and 1989 audits were

Monday was the last day pro-

ceedings could be issued, and

the state government started

the proceedings in the South

Australian Supreme Court. It is

the third such action the gov-

ernment bas taken to recover

some of the money lost in the

In March, proceedings began

against eight former directors

of the bank and their insurer,

FAI, for unspecified damages,

State Bank collapse.

Waterhouse said the claim was losses had been "solely a conse-

Petron Sale MANILA -- The Securities

and Exchange Commission said Monday it was investigating whether executives of Petron Corp. had reduced the number of sbares offered to the public without proper disclosure.

Rosario Lopez, head of the commission, said she would investigate allegations that Petron executives had blocked off 50 million shares of the company's ininal public offering for them-

"There could be a failure of disclosure on this matter," Ms. Lopez said, adding that hearings were scheduled for this week.

Under the original terms of the offering. Petron said it would sell I billion shares, representing a 20 percent stake in the company. Of these, 600 million were to be reserved for domestic investors at a fixed price of 9 pesos a share (31 cents), 100 million would be offered to employees of Petron and its parent, Philippine National Oil Co., and 300 million would be auctioned off to for foreign in-

Ms. Lopez said Petron had scaled down individual allocations to 1,600 shares for each domestic investor from 5,000 because the offering was oversubscribed. But she said Petron executives never informed the commission that they would get bigger allocations.

Petron executives were not available for comment.

Hang Seng 11000 ALL MA M 2007 Monday Prev. Exchange Close Change Close 9,486,13 9,464,56 Hong Kong Hang Seng 2,317.79 2.301.75 Straits Times 2,055.70 2,051.90 All Ordinaries Sydney 20,626.33 20,663.83 -0.18 Nikkel 225 Tokyo 1,092,80 1.105.29 -1.13 Kuala Lumpur Composite 1,425.49 +1.96 1,453.41 Bangkok 944.61 Closed Composite Stock Secul 6,563.91 6,543.57 -0.31 Weighted Price Taipei 3,007.36 -0.05 3,005.95 Manila Stock Index 474.99 +0.64 Jakerta 2,071.94 +1.24 NZSE-40 2.097.54 New Zealand National Index Bombey

Very briefly:

Investor's Asia

Japan's motor vehicle output is likely to fall behind that of the United States for the first time since 1979, the newspaper Nibon Keizai said, citing sluggish domestic sales and the strong yen.

Francis Yuen, former chief executive of the Hong Kong stock exchange and now the bead of Seapower Resources International Ltd. and Seapower International Holdings Ltd., denied allegations of improper share dealings.

 Taiwan's foreign exchange reserves grew to a record 90.14 billion Taiwan dollars (\$3 billion) at the end of June.

Japan revised its industrial production for June to a 2.7 percent gain from a previously reported 2.0 percent rise.

Japan and the European Union agreed to accept each other's certification standards for some products, mostly building materials and medical equipment, as early as 1996.

Bloomberg, Reuters, AP, AFX, Krught-Ridder

Malaysia's Bata Will Try On

Bloomberg Business News KUALA LUMPUR — The Securities Commission has approved a restructuring by the shoe company Bata (Malaysia) Bhd. in which it will transform itself into a telecommunications company, Bata's management said.

Something Else

Bata, a subsidiary of a shoe company based in Canada, will sell its shoe business for 174.3 million ringgit (\$68 million) to Western Investments & ior shareholder. It will then pay 202 million ringgit to buy a stake in FCW Industries Bhd., formerly Federal Cables, Wires & Metal Manufacturing Bhd., from Ekran Bhd.

Propel Soars in First Day of Trading

Compiled by Our Staff From Disputches

The South Australian govern-

billion Australian dollar (\$817

million) claim against Price

Waterhouse for its alleged in-

volvement m the collapse of

Price Waterhouse was the au-

ditor of Beneficial Finance, a

State Bank unit, which lost

around I billion dollars in the

late 1980s and early 1990s, al-

most half the State Bank

group's 3.2 billion-dollar loss.

Waterhouse's 1988 and 1989

audits of Beneficial.

The claim relates to Price

Bill Small, chairman of Price

South Australia's State Bank.

ADELAIDE, Australia -

ment on Monday filed a \$1.1 suit

KUALA LUMPUR - Propel, a road-building company that has a 30-year contract to maintain Malaysia's first superhighway, soared in its first day of trading on the Kuala Lumpur Stock Exchange on Monday as investors scrambled to buy into Malaysia's growing

The stock of the company, whose full name is Projek Penyelenggarraan Lebuhraya Bhd., started trading at 5.30 ringgit (\$2.07) a share, more than double the price of 2.60 price at which it was sold to the public. The stock ended 1 higher at

"I think the buyers of this stock should be extremely ecstatic," said Steven Wong, a strategist at UMBC Securities. "The price is probably more than it's worth on a purely fundamental basis."
Propel's July public offering of 8,750,000
shares was 60 times oversubscribed.
Propel was formed to carry out routine main-

tenance work on the North-South Expressway, which is being built by Projek Lebuhraya Utara Selatan Bhd. That company is jointly owned by Faber Group and United Engineers (Malaysia) Bhd., both of which belong to a business group with strong connections to the leading political

United Engineers owns a 56 percent stake in Propel.

Propel signed the 30-year maintenance contract for the expressway in 1988, guaranteeing revenue of 32,000 ringgit per kilometer per year on the 808-kilometer (500-mile) road. That comes to about 25.9 million ringgit annually, about 40 percent of the company's total revenue

"I see it as a steady performer, since it has a long-term contract," said Loo Boon How, re-search manager at TA Securities.

Propel posted pretax profit of 7.7 million ringgit in 1993, on sales of 64.7 million ringgit, according to the company's prospectus for the share offering. The company projects pretax profit will rise to 11.4 million ringgit this year.

Analysts say the stock is a way to invest in the public-works business. The Malaysian government will have spent more than 9 billion ringgi on road improvements by the end of its current five-year plan in 1995 and 53 billion ringgit by 2010, according to figures in the company

But some analysts say there are better ways than Propel to enter Malaysia's booming infrastructure industry.

Wharf Defends Its Cable-TV Monopoly

(AFP, Reuters)

HONG KONG — Hong Kong's sole ca-ble-television operator, Wharf Cable Ltd., is asking the government to stop Hong Kong Telecommunications Ltd. from launching a video-on-demand service before July 1, 1996.

Wharf Cable said Monday its exclusive three-year franchise to provide a subscription television service in Hong Kong would be breached if Hongkong Telecom's plan to provide video on demand was allowed to go ahead before that date.

"It would be regrettable if any other opera-

tors offered pay television without being regulated as such." Wharf, which is part of the conglomerate Wharf (Holdings) Ltd., said. "It would make a mockery of the authority of

Hongkong Telecom is planning trial runs in December for video on demand, which allows subscribers to select movies from a menu displayed on their television screens and place orders via phone lines.

If the trials are successful, it plans to offer the service beginning in the last quarter of

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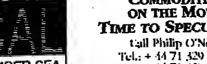
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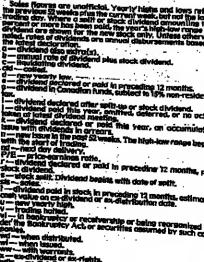
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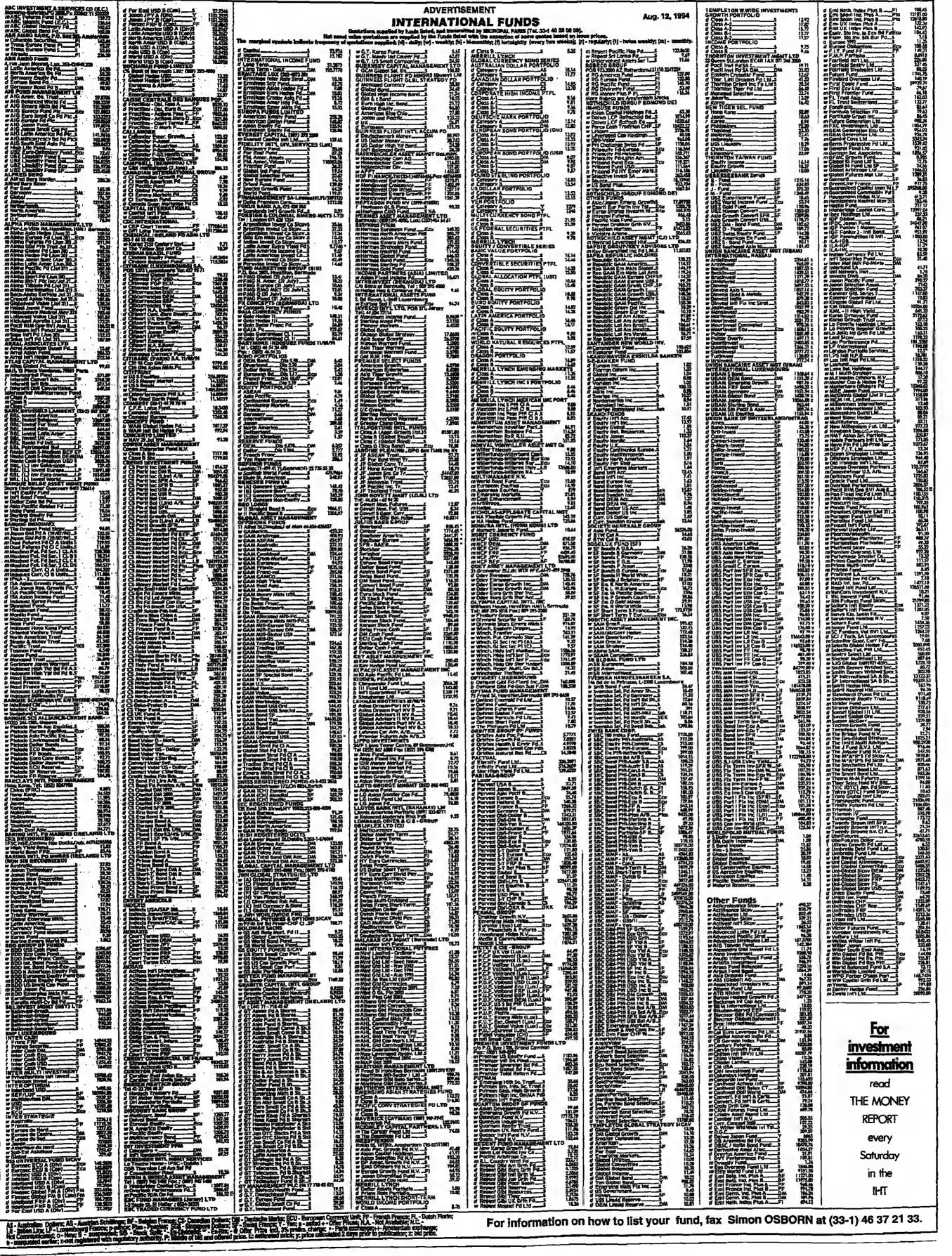
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SPORTS

In Case of a Season Washout, Clubs Will End Up Big Losers

By Murray Chass New York Times Service

NEW YORK - On an inleague clubs will lose more money in gate receipts, concessions and parking - \$300 million — than they will save in players' salaries — \$260 million —if the strike wipes out the rest of the season.

The strike forced cancellation of the third full slate of 14 games on Sunday, bringing to 42 the number missed out of 669 that remained on the schedule when the players walked out

The National and American

dustry-wide basis, the 28 major strike surpassed the two-day walkout in August 1985 and became the third longest in-sea-son strike, surpassed by the 50-ey saved in unpaid salaries. day strike of 1981 and the 1972 strike that was settled on what would have been the ninth day

At an average salary of \$1.2 million, the figure used by Richard Ravitch, the owners' chief labor executive. the 763 players on strike are losing \$5 million a day. If no more games are played, they would lose a total of \$260 million.

Leagues were expected to announce Monday that all games New York Times, if no more

No Middle Ground In Sight in Strike

WASHINGTON - Major league baseball's labor negotiations remained on hold while a third day of games were wiped out by

As of late Sunday, representatives for the owners and the players had not spoken to one another for two straight days. The two sides say they expect to get together for a bargaining session this week, but it may not come before Wednesday.

Everyone in baseball is braced for a long struggle. Donald Fehr. the Players Association chief, has begun to compare the current mood to the atmosphere that surrounded the players' 50-day

The owners' leaders, meanwhile, are insisting that recent comments by the Baltimore Orioles' Peter Angelos, the New York Yankees' George Steinbrenner, the Colorado Rockies' Jerry McMorris and the Cincinnati Reds' Marge Schott are not signs

their resolve is crumbling.

The cooling-off period from last week's testy confrontations continued. Fehr said he planned to make only a brief stop at his New York office to sort through his mail. The owners' chief negotiator, Richard Ravitch, had no plans to be in his office. The

interim commissioner. Bud Selig, had a wedding to attend.

The two sides last met on Friday, a session called by the union to restate its revenue-sharing suggestions to the owners. On Saturday, Ravitch and Fehr and their entourages met separately with three representatives from the Federal Mediation and Conciliation Service and one Labor Department official. But a Labor Department spokesman said the agency was only "monitoring the situation" at this point, and Febr indicated Saturday that he did not believe basehall would be dealing with a single mediator any

It appears that there is no middle ground at this point. The owners say at least a dozen teams were projected to lose money this year under baseball's salary structure, and they must find a way to bring player salaries under control. They have proposed a system that includes a salary floor and ceiling for each cluh and guarantees the players 50 percent of the game's revenues. Sources say the owners would be flexible on what is counted as revenues

and prohably would be willing to give the players as much as 55 to 60 percent of the revenues in their salary cap plan.

But the players are making 58 percent of hasehall's revenues this year, and they are opposed to changes in a system in which the average player salary has grown to nearly \$1.2 million per year. They say they do not helieve the financial information being provided by the owners, and they insist they are being dragged about how to redistribute revenues to subsidize the game's smallmarket teams.

Fehr said, "I have no reason to believe anything of significance will occur anytime soon."

Angelos, Steinbrenner, McMorris and their large-market hrethren say they could live with a labor agreement without a salary

cap, but they may have waited too long to speak out.

Now that the strike has begun, it will take 21 owners to approve a labor agreement (as opposed to 15 before the strike began). And the small-market owners, those who need revenue sharing and a salary cap the most, have enough votes to block ratification of any settlement not to their liking.

are canceled until further no-tice. games are played, clubs would lose \$225 million in gate re-In reaching three days, the ceipts and \$75 million in parking, concessions and advertising, leaving them with \$40

> That loss will escalate when lost television and radio revenue and other revenues are

> A lawyer involved in the dispute estimated Sunday that a strike lasting the rest of the season could result in lost revenues of \$400 million to \$500 million to the clubs after unpaid player salaries are figured into the financial mix.

The \$225 million in lost gate receipts is based on each team's average attendance at the time the strike started, the number of remaining home dates and the average ticket price. Revenue lost from parking, concessions and advertising is based on a rule-of-thumb figure of onethird of gate receipts.

In the latest report compiled by an accounting firm from the clubs' financial data, for the 1992 season, revenues from those three items represented 34.4 percent of gate receipts.

One person who studies base-ball's finances believes that the ratio could rise sharply this season, possibly ending up be-tween 40 percent and 50 percent. If that is so, the owners would face even greater losses

Attendance totals would vary as the season neared the end, with higher attendances expected for teams in contention for division championships or wild-card spots and smaller crowds anticipated for teams that were out of the race.

The Toronto Blue Jays, wbo lead the American League in attendance, stand to lose the most at the gate. Their 22 remaining home games could have been expected to produce \$16 million in ticket sales. which means they stand to suffer the largest loss in ticket revenues of the 28 teams.

The Atlanta Braves, with an average attendance of 47,023 and 26 remaining bome dates, face the largest losses in ticket revenue in the National League, \$14.67 million.

The home teams do not get to keep all of the money from their ticket sales. The visiting team in the American League receives 20 percent, and the visitor in the National League gets 43 cents on each ticket over \$1.

has become a subject of dis-pute in these talks. The union has proposed that the National League "come into the 20th Century" and adopt the American League practice, but the league always has resisted change despite the fact that some of the teams said to be the neediest - San Diego, Pittsburgh and Montreal play in that league.





Michael Chang (above), the fourth seed, repeated as champion of the Thriftway ATP Championship in Mason, Ohio, beating a shockingly bad Stefan Edberg, 6-2, 7-5. "I just could not find the range on the court," Edberg said of his 29 unforced errors.

Luyt Withdraws Resignation From Rugby

JOHANNESBURG-The president of South Africa's rugby union and organizer of the 1995 Rugby World Cup agreed to withdraw his resignation on Monday after a plea from a government official.

Louis Luyt bad said Sunday that he would quit because of a dispute over the

management of the national team. But a plea from Sport Minister Steve Tshwete convinced him to remain, Luyt said Mon-

Interviewed on Radio 702, he said he bad decided to "forgive but never forget" the criticisms that bad caused him to resign

in the first place.

Luyt stunned the sport Sunday when he announced that he would step down as head of the South African Rugby Football Union after just five months in the post. The dispute over team management followed South Africa's tour of New Zealand. After

Roux was suspended from rugby until 1996, and the tour ended Aug. 6. South Africa lost two of the tests; the third was declared a draw. Afterward, Luyt said Manager Jannie Engelbrecht and Coach Ian McIntosb should be fired and that le Roux should never play rugby for South Africa again. Rugby officials opted to keep Engelbrecht

during which prop forward Johan le Roux was caught on film biting the ear of New Zealand's captain, Sean Fitzpatrick. Le

and McIntosh in charge of the team. Luyt's resignation would have been a blow to South Africa's plans to host the 1995 World Cup and establish itself as a world leader in the sport after years of isolation because of apartheid. South Africa was banned from world rugby in 1981 because of apartheid and was readmitted

After an emergency meeting lasting al-

most four hours, the mgby union's senior vice president, Minleki George, said eight of the 10 executive members had endorsed Tshwete's attempt to make Luyt change his mind.

Luyt said earlier Tshwete had persuaded him not to resign hat it depended on the executive committee's decision.

The full executive committee called on Dr. Luyt to withdraw his intended resignation," George said in a statement. "Two executive members, that is Masson and Parkinson, did not support the majority decision of the executive."

Ronnie Masson is chairman of the Western Province Rugby Football Union, and Keith Parkinson is his Natal counter-

The name of SARFU has been damaged and until the damage is repaired, we can't really move forward," George said.

Champ Obree Disqualified In Cycling

Compiled by Our Staff From Dispatches PALERMO. Sicily — Graeme Obree of Britain, the defending world pursuit champion, was disqualified Monday

in qualifying heats for his irregular racing position and re-moved from the world track cycling championships. Obree, whose tuck position was banned in May by the International Cycling Union, was punished for ignoring warnings about his position which was been been about his position which was been been about his position.

about his position, which re-sembles that of a downhill skier. The peculiar racing position and a special, homemade bike allowed Obree to set a world one-hour record of 52.713 kilometers (32.76 miles) in Bor-

deaux in April. The British cyclist also set a world record of four minutes, 22.668 seconds in the world

4.000-meter pursuit at Hamar, Norway, last year. "Obree was disqualified for

ignoring, twice, the jury warnings about his position," a championship spokesman said. "I was told one hour before

the start that there must be a certain clearance between my chest and the handlebars." Obree said. "No distance was given, and it was like a high jump without the bar.

"No measurement has been defined. It is all pretty vague, but officials told me that there would be two warnings and then disqualification. I knew that they were out to get me." Obree's completed his quali-

fying run, in the opening day of the World Championships, in 4:32.698 minutes, 3.3 seconds slower than his British rival Chris Boardman.

Boardman, the Olympic champion, led qualifying runs in 4:29,332, at an average speed of 53.466 kph.

He's the favorite to win the world title in Tuesday's final at Palermo Velodrome following

Obrec's disqualification. (Reuters, AP)

SIDELINES

Navratilova Won't Play at U.S. Open

LOS ANGELES (Reuters) - Martina Navratilova has announced that she will not compete in the U.S. Open, which begins

Aug. 29.
Navratilova, who has won four U.S. Open singles titles, said, "My 37-year-old body is telling me to play on indoor surfaces, and I think it's time to listen."

Navratilova plans to retire from singles competition at the end of the year. That means her last career Grand Slam match was her loss

Italian Grand Prix Is Reinstated

PARIS (Reuters) — The Italian Grand Prix has been reinstated on the Formula One calendar after a proposal to modify the Monza circuit, the International Motoring Federation said Monday.

FIA said Friday that it was canceling the race, scheduled for Sept.

11, because of doubts over whether the Italian authorities would

carry out safety work. Changes to the circuit were required to bring it into line with safety measures introduced after the deaths of Ayrton Senna and Roland Ratzenberger at the San Marino Grand Prix at the ftalian circuit of Imola in May.

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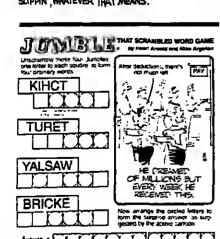
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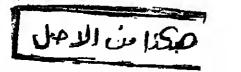


THE FAR SIDE



BLONDIE





SPORTS

The Birdies Sing: There's Price, and Everyone Else

New York Times Service .

major championship of the year, the to win back-to-back major champion-1994 golf season snapped into vivid ships since Tom Watson won the U.S. focus at Southern Hills Country Club. and British opens in 1982.

The state of the game is this: There is He got there by starting fast and Nick Price and there is everybody else. never looking back, by conducting a

was Nick Price, doing what he wanted when he wanted and how he wanted, winning by six strokes over Corey Pavin in the PGA Championship and standing head and shoulders above anybody in the game.

"I've always wanted to be No. 1," said Price. Deep down inside, I've any hope out there today. He played wanted that But if you think that way unbelievable golf." you can sometimes lose sight of playing golf tournaments and what it takes

took Sunday. He shot a final-round 67 two holes, pulling within three strokes for a total of 269 and took his second of the lead. If ever there was an early major championship of the year, his opportunity to choke, this was it. But third victory in his last four starts, his Price didn't miss a fairway on the sixth 1994 tournament victory and his front, birdied three holes and had a second PGA Championship.

By adding this to his victory at the

TULSA, Oklahoma — In the final two strokes — became the first player

It was the original Dream Team ball-striking clinic and by clearly demagainst Angola. Any Super Bowl with onstrating why he is the undisputed Buffalo. Secretariat at the Belmont. It. No. 1 player in the world rankings.

This victory began at the beginning. By the time Price, who led wire to wire, stepped to the first tee Sunday, Greg Price, 37 years old, did exactly what it Norman already had birdied the first seven-stroke lead by the turn.

- whose 269 total broke the Price, who also won the 1992 PGA to end whatever slim chance he had of elson, 24, who shot 70 and finished thought Greg was going to shoot a low round, maybe a 63 or 64, and when I saw that he was two-under through three holes, I said to myself, 'You're going to have to play some golf to-

The golf that Price played was some-

the front side, six birdies for the day, and it served notice that Price was not be any way to catch Nickie," Norman about to crack.

"That really alleviated a lot of the pres- serves it." sure and a lot of the nerves." He birdied the fourth hole, nailing a

pitching wedge to within four feet. Norman heard the roars, and a few

"That front nine today was probaminutes later be heard something that British Open last month at Turnberry, bly the best nine holes of my life," said might have thrown him off just enough best young American player, Phil Mick- one else is close.

1964 PGA Championship record by Championship, at Bellerive Country catching Price. On the tee at the 614 seven shots back two strokes — became the first player Club in St. Louis, Missouri. "I'm just yard, par-5 fifth, Norman was inches to back major champion— so proud of the way I played. I really away from impact when a fan "Nick played away from impact when a f away from impact when a fan "Nick played awesome," said Mickelscreamed, "You the man!"

into the rough.

John Cook, Norman's playing partner, questioned the fan's intelligence.

and his eyes were so big, it looked like keeps a residence in Orlando, Florida. finish like he's done. He really de- I've got nine putts to win."

Open, British Open and PGA Champi-

Mickelson was duly impressed. son, whose season was interrupted by a Norman flinched and drove the ball broken leg suffered in a skiing accident in the rough. broken leg suffered in a skiing accident in March. I'm going to do my best to take him out skiing next year."

That was a little joke. So, in fact, was Norman glared at him, but said noth- the ease with which Price handled the ing. His concentration broken, Nor- field here. He had putted the bumpy, He was simply too good, and everyone knew it.

"I felt like I won the B Flight today," said Pavin, who didn't birdle a hole until the 15th and closed with a hole until the 15th and closed with a constitution of the seven feet beyond the flag-birdle made it immossible to have thing with which the rest of the near man in the field — except the ball ricocheted right and Norman well as anyone in the field — except was no room for bogeys if Norman bad then whipped his approach shot at the third hole seven feet beyond the flag-birdle was no room for bogeys if Norman bad any hope. He would have had to shoot stick. The ball spun back to 1½ feet.

That was his first of three birdles on 70. the fairway to the last hole.

Price, who would pick up a check for said. "I saw him in the locker room \$310,000 in a few minutes, decided it "I put my nose down and played and his eyes were so big, it looked like was time to make his own humorous those first four holes as well as I could," Raymond Floyd. He should be proud. aside. He numed to his caddie. Jeff said the South African-born Price, who It takes a lot to win from start to Medlen, and said: "Lemme see, I think

He three-putted from 45 feet, and the Price's victory completed the unpreconly thing he lost by doing it was a edented occurrence of four foreign-born players winning the Masters, U.S. est victory margin, set in 1980.

What he gained was a whole lot more. onship. He overpowered Pavin and the Price is the undisputed king of golf. No



Nick Price, the winner by six at the PGA Championship.

Dream On: A New Invitation List eal said: "We're not legends, were layups. A true NBA char-yet. But some day, we will be." acter who also conforms to matic berth if be's healthy. By Harvey Araton New York Times Service USA Basketball can't wait team play. Write him in. TORONTO -- It got the job that long. A year from now it 3. JOE DUMARS: Quiet, indone, but this was not a memohas to choose its 1996 Olympic tense, intelligent pro is not the rable U.S. team, no Dream team for the Games in Atlanta. stopper he once was, but can Team, not in performance, style still find the basket in a hurry. or grace. Upon reflection, sev-Based on performance, lik-However at 31, not a good bet eral of its players wished it had ability and what Coach Don never been so dubbed. Nelson and staff bave been say-4. MARK PRICE: As long as Derrick Coleman, who had ing, publicly and privately, here the international 3-point line is better get used to name changes is an unofficial player ranking so invitingly close, pure quickand each player's chances of being invited back: as the Nets are discussing a trigger bombers like Miller and switch to, yes, Swamp Dragons, I. SHAQUILLE O'NEAL: Price are essential to discourage thinks the team should have gang-defending the likes of O'Neal, Price, though, was a 40 percent shooter, is 30, fragile, been allowed its own identity.
"Young Guns, or something,"
he said. "Dream Team II wasn't Absolutely unstoppable, a 76 percent shooter. His full-court dribble and slam against Ausand playing on a surgically retralia was the play of the tourreally fair. No sequel, like Rocky paired knee. Questionable.
5. SHAWN KEMP: A powson, forget it.
10. DOMINIQUE WIL-KINS: Had terrible practices, nament, and his on-court peror Rambo, is ever as good." Coleman said most of the sonality, by comparison to players were headed to Detroit, to a club called Legends, for a be asked hack," he said. Witherful force in the international

game, because of his explosiveness and big man's ability to run the floor. Definite. 2. REGGIE MILLER: 6. ALONZO MOURNING:

Basketball, But Shaquille O'N- Dropped in 3-pointers as if they Struggled with international rules - wider lane, less handson defense, etc. - but played very hard and is such a good athlete that he can't burt a team. On-court attitude was at times needlessly abrasive but coaches think he will grow up.

7. KEVIN JOHNSON: Though he didn't shoot the ball against Australia, then caressed well from the perimeter, his bimself for 15 seconds in front of penetration was excellent. But the camera while play continued.

suing from advertisements which appear in our paper. It is therefore recommend-ed that readers make ap-

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8. DERRICK COLEMAN: D.C. was, at times, the best U.S. forward. Played hard, but practice effort and trash mentality turned off coaches and will make the committee nervous. Chances are 50-50.

9. DAN MAJERLE: When

the team was picked last sum-mer, he seemed like an obvious choice. Tough defender, Slashing driver with great 3-point range. Then he lost his shot. which he began to depend on too much. Still hasn't found it. Unless be does this coming sea-

didn't guard anyone, but didn't bother anyone as long as be played and got the ball. But he's 34. Say good-bye, Nique, 11. STEVE SMITH: Didn't

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Bernhard Langer, \$13,000
David Frost, \$13,000
Jeff Stumen, \$13,000 offend anyone but, as he has in Miami the past couple of years, didn't live up to billing either.

No way. 12. LARRY JOHNSON: Last, and least. Back problems have stolen his explosiveness. Coaches hated his attitude. He was out the moment he dunked

Final PGA Scores Print score and extension and the 4.33-vord, Town Lehmon, \$4,030 par-70 Sauthern Hills Country Ctub course; Gil Margon, \$4,030 Rick, Price, \$310,000 70-47-69-275 Billiv Mayfoir, \$8,030 Phil Mickelson, \$110,000 69-71-47-70-276 Male [rwin, \$6,030 Rick, Faido, \$78,657 73-67-71-46-227] Neal [rwin, \$6,030 Rick, Faido, \$78,657 73-67-71-46-227] Neal [rwin, \$6,030 Rick, Faido, \$78,667]

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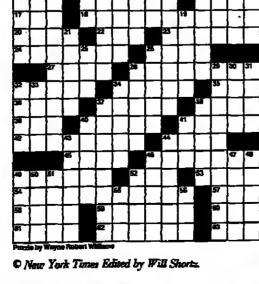
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ART BUCHWALD

Fitting In the Clintons

dent and Mrs. Clinton are coming to Martha's Vineyard and I am besieged with queries as

to how Viceyarders should behave toward them.

The

first thing is to be yourself. You don't have to bow or curtsy when you meet them, untess they are walk-

Buchwald ing down the street with Princess Di. Protocol demands that you doo't speak to the Cliotons until they

speak to you.

If they say "Hi," you might say something like, "Mr. President, although I voted for you, it doeso't mean that your Secret Servicemen have a right to park

in my driveway."
Or, "If you really want to do something for this country, Mrs. Clinton, you would make sure everyooe who sailed here in the New York Regatta on their yachts could afford health insurance.'

The Clintons have been here before, so they know how im-portant it is to have a standby reservation to get oo the ferry in time for Chelsea to get back to school. If you have one of your own that you would like to give them, don't expect any favors in return. The most they can offer

U. S. Histus for Lion King' New York Times Service

LOS ANGELES - Walt Disney Co. says it will pull the hit animated film "The Lioo King" out of U.S. movie theaters oo Sept. 23 and re-release it in late November. Io an unusual marketing move, Disney is trying to bottle up demand for the film until the big yearend holiday movie-going season -and make up for oot having a oew animated release for one sick - would you invite Thanksgiving for the first time in several years.

Oceania

MARTHA'S VINEYARD, you is Lloyd Cutler's job as legal counsel to the president, and that really doesn't go anywhere.

> Since the president is a golfer, he will probably ask you to play with him. There is nothing wrong in accepting unless you have promised your wife to elean out the garage at the same time. In that case, in order oot to disappoint her, you should tell the president you'll fit him in later.

> Hillary is especially curious about people. You could offer to take her to a tobster hatchery where they are trying to find ways to make lobsters larger so peopte can eat more of them without getting melted butter over their clothes. Also you could ask Mrs. Clinton if she would like to visit the Martha's Vineyard Stock Exchange in the financial district of Chilmark where islanders trade in sea gull eggs and whale futures and discounted jellyfish boods.

> The fact that you are in cooversatioo with them does oot mean you should take advantage of the relacionship. These are a few subjects it would oot

> be a good idea to bring up: Whitewater — or any other kind of water they sell in the supermarket.

Haiti, as in: "Mr. President, will you invade Haiti before or after your vacation oo Martha's Vineyard?"

Republicans, as io: "Mr. President, do you think the sharks in Congress are more ferocious than the ones swim-ming off the shore of Nantuck-

Polls: "Mr. President, the polls show that you are slipping in popularity. Do you think if you caught a 40-pound bass in the Vineyard Sound that people would have more confidence in

Senator Gramm: "Mrs. Clinton, if you were told all the clams around your house were inedible and would make some-Senator Gramm to a elam

Miami Tries Out Life as Tinseltown on the Atlantic

By Vernon Silver
New York Times Service

MIAMI — Maneuvering his Harrier jet around skyscrapers as only an action hero can, Arnold Schwarzenegger blows away the terrorists, rescues the girl (his character's teenage daughter) and saves humanity from nuclear destruction.

Many stories below, downtown Miami cranes its neck to watch. The scene, with its backdrop of Biscayne Bay and the Miami skyline, not only belped make "True Lies" a blockbuster, but it struck another blow for the city's newest self-description. Miami. for some reason, is always changing its nickname.

A few fashion models were spotted on its beaches, and some local boosters touted the lown as "Manhattan South." A couple of downtown artists in cafés ogled the models, and South Beach styled itself SoBe.

The foreign tourists flocked in to find the sun, the models and the downtown artists, and Miami was slapped with another label: the American Riviera. Now Miamians bave found their town yet one more title - Hollywood East — and they have reason to hope this year's label will stick.

During the last year, they've seen not only Schwarzeoegger shooting it out over the Mi-ami skyline but also "Ace Ventura: Pet Detective" (Jim Carrey) tracking the missing Miami Dolphins mascot through South Beach. Wesley Snipes, in town to film his sky-diving thriller "Drop Zooe," made headlines with a real-life police chase, and local oews telecasts had nightly reports from the filming of Sean Connery's oext vehicle, "Just Cause,"

in which be jumps a car across an open drawbridge oo a causeway to Miami Beach.
Local politicians, like Maurice Ferre, a Dade County commissioner, said they love the attention. "Everybody seems to be enthused with the idea that Miami is up oo the screen," said Ferre, who lobbies producers to make movies bere.

As the blockbusters add up (Sylvester Stallone's action thriller "The Specialist" just finished shooting here, as did "The Perez Family," with Marisa Tomei, a story of the 1980 Mariel boatlift), Miami is filled with Hollywood bones, even if it sometimes looks like nothing more than the oext stage of a longtime identity crisis.

Remember, this is a city, sometimes known as Havana North or Casablanca West, where the penchant for self-comparison is so strong that not long ago, when a few local bands made it big, the o'tle Seartle South bounced around briefly.

Although the comparisons to Hollywood can be silly, there are signs that Miami may find an enduring niche in the movie and television businesses. Miami's Latin American links could make it a center for the

Asia A law shower storms may to bit in Japan V



Wesley Snipes and Yancy Butler above the Miami skyline in the thriller "Drop Zone."

Spanish-language news media, whether or oot the city stays in Hollywood's favor. The Telemundo and Univision networks have beadquarters here, as does MTV Latino.

And while city officials gush with provincial hopes of beating Los Angeles at its own game, some important industry players are actually making deals that could turn Miami, now just the location of the moment, into a egitimate production center.

The biggest such proposal is for a 50-acre waterfroot site that could handle both the location work unique to Miami and the interior shots that make a film complete. The project, backed by Stallooe, the Hollywood producer Jerry Weintraub and the Miami musician Emilio Estefan, would include post-production facilities as well as a back-lot attraction for the public.

"It's a good place to make movies — the weather's good," said Weintraub, who is pro-ducing Stallone's "Specialist."

"Hollywood's oot going away," he added.
"Not everybody's going to Florida to make
movies. But they'll get their share. All they need down there is a studio facility, which

we're working on." But maybe Hollywood East isn't exactly the right nickname; some say Toronto South would be more appropriate. Like that Cana-

dian city, Miami has attracted producers with its low cost of doing business, far from the New York and Hollywood unions. Florida's right-to-work law allows union productions to hire nonunion workers at a fraction of what they would be paid elsewhere, said Paul Laza-rus, director of the motion pieture program at

the University of Miami.

However, Lazarus said, in show business, image can be as important as cost, and Miami's success largely depends on how hip it remains. "For the moment it is a congenial place to make pictures, like Santa Fe is and

like Texas was. "Some of that will inevitably disappear when the heat on South Florida and Miami Beach goes away. You don't stay white-hot as a destination point for the indeterminate fu-

However, Lazarus said, "We're not going to ever, in my lifetime, become competitive with Los Angeles, and probably oot with New York." The problem, he said, is a lack of local talent that forces moviemakers to import workers from Hollywood.

"What have you got in Florida? You have no creative community, certainly no film community," Lazarus said. "Yes, you can crew up a major picture in terms of grips and gaffers, but where are our directors? Where are our leading actors, our producers, our

cinematographers? In time, they will come, said Tony Goldman, a New Yorker who is chairman of the South Beach Marketing Council and owns hotels in Miami Beach as well as restaurants

You don't just open your genie's bottle and the MGM studios are located there," Goldman said "But I believe that the industry has looked at South Florida as a very

viable alternative." Not only does Miami have attractive loca-

tions and a growing infrastructure to provide production services, but it has the intangible here of being a celebrity playground. "A lot of stars that are digging the new life style can steer the decision makers to come to

their new territory," Goldman said.
For Stallone, making a movie in Miami was convenient in part because he has a house here, not far from one owned by Madonna. Convenience is also provided by the local government, which accommodated the makers of "Just Cause" by closing the main causeway to South Beach for several weeknights

last month, forcing motorists to detour.

Another draw is the diversity of locations.

"It's not just Miami," he said. "It's a pop to the Keys, a pop to the Everglades, a pop to Florida's west coast. There's a lot of different looks and tremendous water."

The makers of "Drop Zone," for example, used the Keys for tropical scenes, then moved the crew just a few miles north, to a pine-covered area near Miami, for scenes meant to be the Virginia suburbs near Washington. In "True Lies" the finale crupts with a shoot-out near Key West, a car chase on the Seven Mile Bridge and a doglight over Miami.

With about one major movie being made in Miami each month, the pyrotechnics can only

Miami each month, the pyrotechnics can only be good for the region's economy, which depends on tourism, said Jeff Peel, the acting director of the Miami-Dade Office of Film, Television and Print.

"That's the kind of exposure that no one can afford to buy," he said. "Some mom and pop in Peoria seeing True Lies' might say. 'Let's go there!' Just Cause' is doing the same thing with the car impring over the bridge." thing with the car jumping over the bridge."
But are images of terrorism and car chases really what Miami needs to draw tourists?

"That was the argument with 'Miami Vice,' " Peel said. " 'Gee, everybody's going to think we're drug dealers and killers here.' I think viewers are more sophisticated than that. They know it's fiction. It makes it a city of the world rather than some sleepy Southern town at the tip of Florida."

And no matter how long they call this Hollywood East, Peel admitted the real Hol-

lywood will remain the center of the movie and television business. That is, of course, "until California falls into the ocean."

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather. Etirope A series of storms moving across the northern British lales into western Scandinavia will be accompanied North America

Africa

PEOPLE

Clint Eastwood will be crossing "The Bridges of Madisoo County" with Meryl Streep. Streep will play the lonely lowa farm wife who has a brief affair with the photojournalist that Eastwood will play in the film version of the popular novel by Robert James Waller. East-wood will direct, and Steven Spielberg will be executive producer, Warner Bros. said.

Princess Diana held talks with Walter Cronkite aboard yachts off Martha's Vineyard. Massachusetts to discuss arrangiog a television documentary about her life. Britain's Mail oo Sunday newspaper reported. The Mail, quoting what it called friends of the princess, said the documentary would be her response to a 21/2-bour interview with Prince Charles by the journalist Jonathan Dimbleby that was broadcast two months ago. In that interview, Charles admitted adultery after the breakdown of his marriage to Diana.

Just when it seemed that Barbra Streisand was coming out of the quietest period in ber career, she's locked herself up again. Streisand is editing tapes from her 26concert tour for an upcoming special on Home Box Office. Other footage showing how Streisand overcame 28 years of stage fright also might be included. The two-bour program, "Barbra Streisand: The Concert," is to be aired on Sunday in the.

Two Iranian films, Ibrahim Foruzesh's "Khomreh" and Kyanush Ayyari's "Abadani-ba," were awarded first and second prize respectively at the Locarno film festival. Third prize went to the film "Rosine" by Christine Carrière of France. French actresses. Bernadette Lafout and Bulle Ogler shared a special prize for their role in Marien Various "Personne ne maine." Marion Vernoux's "Personne ne m'aime." The Chinese filmmaker Zhou Xiaowen was given the jury's special prize for his film

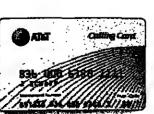
John Bobbitt wants the kitchen knife that his wife, Lorena, used to cut off his penis as well as the photographs taken during the nine-hour operation to reattach it. "We'd like to get them out of the files," said Bobbitt's lawyer, Gregory Murphy in Manassas, Virginia, He complained that some photos had found their way to the media. Judge LeRoy F. Millette Jr. said



HIGH-STEPPING - Drum Major Ian McCreechan of the Territorial Pipe Band gives singer Eartha Kitt a lift as the Edinburgh Festival opened.

the pictures must remain on file as evidence, but did order them scaled. Millette, who is handling the couple's divorce, put off ruling on the request for the knife and other items of marital property until own-

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Australia .	. 1-800-881-011	Liechtenstein*	155-00-11	Chile	004-0312
China, PRC+++	10611	Lithmania	84196	Columbia	980-11-0010
Guern	018-872	Luxembourg	0-800-01tt	Costa Rica*n	114
Hong Kong	800-1111	Macedonia, F.Y.	R. of 99-800-4288	Ecuador*	119
Indis+	000-117	Malta"	0800-890-110	El Salvador	190
Indonesia.	001-801-10	Monaco* .	194-0011	Guatemala*	190
Japan"	00 39- 111	Netherlands	06-022-9111	Guyana	165
Korea	909-11	NORWAY.	800-190-11	Hondung	123
Korekaa	11*	Poland++**	04010-480-0111	Mexicoasa	95-800-462-4240
Malaysia*	800-0011	Pormgal*	05017-1-288	Nicaragua (Ma	
New Zealand	000-911	Romania	01-800-4288	Panaman	109
Philippines*	105-11	Russia"(Mosco	155-5042	Peru	191
Saipen*	235-2872	Slovakia	00-420-00101	Soriname	156
Singapore	800-011t-t11	Spaine	900-99-00-It	Uniguay	00-0410
Sri Lanka	430-430	Sweden*	020-795-611	Venezuela*	80-011-120
Taiwan' ·	0080-10288-0	Switzerland*	155-00-11	CA	RIBBEAN
Thailande :	0019-991-Ittt	U.K.	0500-09-0011	Bahamas	1-800-872-2881
	UROPE	Ukraine*	84100-11	Bennuda ·	1-800-872-2881
Armenis	8414111	MIDE	LE EAST	British VI	1-800-872-2881
Austria	022-903-011	Bahrain	800-00I	Cayman Islands	1-800-872-2881
Belghim*	0800-100-10	Cyprus	080-90010	Grennda*	1-800-872-2881
Bulgaria	00-1900-0010	Iscael	177-100-2727	Halti	001-800-972-2883
Crostis*+	99-38-0011	Kırwair	800-288	lamaica**	0-800-872-288t
Czech Rep	00-420-00101	Lebenon (Beirus		Neth Antil	001-800-872-2881
Denmark*	8001-0010	Catar	. 0800-011-77	St. Kitts Nevis	1-900-872-2881
inhad	9800-100-10	Seudi Arabia	1-800-10		FRICA
Prance · ·	194-0011	Turkey"	00-800-12277	Egypt (Calro)	
Germany	0130-0010	UAP.	800-121	Gapon,	510-0200
Greece*	00-800-1311	AMI	RICAS	Gambla'	60A-001
Bungary .	00a-800-01111	Argentina+	001-800-200-1111	Келуа+	00111
celand u	999-001	Belizes	555		0800-10
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